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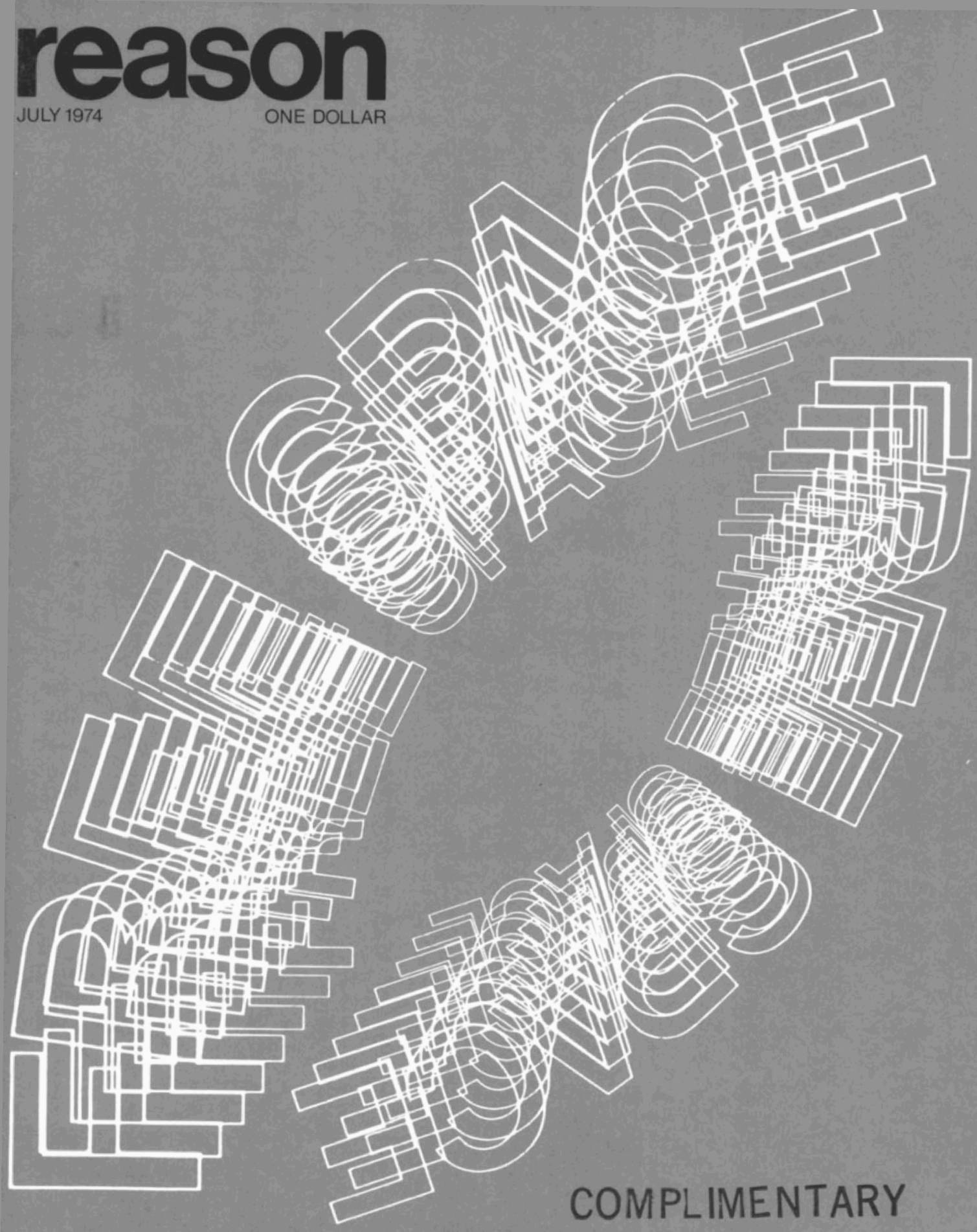

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The Seabed Power Struggle

Robert Poole, Jr.

Summa Corp.

On June 20, 1974, delegations representing the governments of 150 nations will convene in Caracas, Venezuela. The occasion is the Third United Nations Conference on the Law of the Sea. Of all the many issues to come before the conference, none is of greater long-term consequence than the issue of jurisdiction over the seabed—the "land" at the bottom of the world's oceans. On the agenda, with widespread support from a majority of U.N. members, is a proposal to declare seabed resources "the common heritage of mankind," under the sole jurisdiction of the United Nations. Any would-be miner of seabed minerals would have to apply to a U.N. seabed authority for a permit, and would be forced to

pay the bulk of his profits to a U.N. fund to aid the underdeveloped countries.

While the diplomats debate this proposal, 2,000 miles to the west a strange-looking ship moves at a snail's pace across the surface of the Pacific. A tall derrick towers over an open well in the center of the hull; beneath the ship lurks a submarine barge, from which a long pipeline snakes thousands of feet down to a dredge which creeps along the ocean floor, sucking up potato-sized lumps, rich in manganese, copper, nickel, and cobalt.

The ship is the *Hughes Glomar Explorer,* a 36,000-ton, 618-foot experimental mining ship operated by Summa Corporation, whose sole owner is Howard R. Hughes. The scene just described is not fantasy; even as this article goes to press the *Explorer* is on station somewhere in the Pacific, from its base of operations in Nicaragua.

Reminiscent of scenes from *ATLAS SHRUGGED,* the conflict between billionaire industrialist Hughes and the diplomatic might of the United Nations is very real.

The outcome of this struggle will have tremendous implications—not only for Howard Hughes and a dozen or so other enterprisers, but also for the economic well-being of both the "developing" and the developed countries of the world, for the authority and legitimacy of the United Nations, for the shape of international law, and the future of freedom on the two-thirds of the earth's surface covered by the oceans.

The stakes are high—to appreciate *how* high requires a look at the history of maritime law, the development of ocean mining technology, and a bit of natural resources economics. Let's begin with the existing law of the sea.

THE LEGAL REGIME OF THE SEAS

Throughout history international law has considered the seas as being beyond the jurisdiction of any state. The general rule has been "freedom of the seas," i.e. the right of anyone to make use of the seas for navigation, trade, and fishing, limited only by the boundaries of each nation's small offshore area. Until recently, this has meant the 3-mile limit claimed by most governments, or the 12-mile limit claimed by a few others.

After World War II, however, a new trend began. In 1945 President Truman asserted that the U.S. government possessed exclusive title to the resources of the Continental Shelf surrounding the United States. Although Truman's proclamation excluded any claims to jurisdiction over the waters above the Shelf or any restriction on navigation, the example had been set, nevertheless. In short order Ecuador, Peru, and Chile made new claims to offshore territory, out to a distance of as much as 200 miles. In each case Truman's declaration was cited as a precedent. In the case of Ecuador and Peru, the jurisdiction included both the water and navigation rights, in an effort to protect those nations' fishing industries. In recent years various American fishing interests have urged the U.S. government to take similar action, to keep European and Russian trawlers out of the New England offshore fishing areas.

This type of bickering led to the 1958 Geneva Conference on the Law of the Sea, attended by delegates of most maritime nations. The conference worked out an agreement about the Continental Shelf, called the 1958 Convention, which defined the shelf as "the seabed and subsoil of the submarine areas adjacent to the coast, but outside the area of the territorial sea, to a depth of 200 meters or, beyond that limit, to where the depth of the superadjacent waters admit of the exploitation of the natural resources of the said area." The conferees agreed that the seabed area so defined is under the exclusive jurisdiction of the adjacent nation's government.

At the time of the Convention, this definition closely approximated the area commonly thought of as the Continental Shelf, since exploitation of resources at depths below 200 meters (665 feet) was considered fairly unlikely. Since 1958, however, technology has made major advances. Semisubmersible platforms have made it possible to drill for oil at depths of several thousand feet. A whole generation of self-propelled manned submersibles has been created for undersea exploration work, one of which has the capability of diving to 15,000 feet. And beginning in 1969 the *Glomar Challenger,* a research vessel of the Scripps Institute of Oceanography, began a series of historic voyages taking core samples from the ocean floor. Equipped with the latest drilling equipment and a sophisticated position-keeping system, the *Challenger* drilled successfully in waters over 20,000 feet deep. Whereas the continental shelves include about 10 percent of the sea floor, some 98 percent of the seabed is under less than 20,000 feet of water, and is now potentially exploitable. Hence, the 1958 definition of the Continental Shelf in terms of exploitability is clearly inadequate.

As if to underscore this point, the U.S. Department of Interior has issued oil and gas leases well beyond the three-mile limit, some of which have exceeded the 200-meter depth limit as well. Indeed, drilling on the Outer Continental Shelf is considered by Interior to be a key element of the recently-launched "Project Independence." The National Petroleum Council has urged the government to declare sovereignty over not

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Executive Editor Robert Poole, Jr. is director of marketing for a California think tank. An engineering graduate of MIT, Mr. Poole has been a student of seabed developments for the past six years. His earlier article on the subject, "The Wave of the Future, the Future of the Waves," appeared in the December 1969 issue of REASON *and was reprinted in condensed form as "The Wealth of the Oceans" in the August 1970 issue of* THE FREEMAN.

only the Continental Shelves, but also the adjacent slopes and rises out to where these slopes meet the abyssal plains of the deep seabed—typically at depths around 10,000 feet. The NPC states that any narrower claim of jurisdiction "would amount to a giveaway of resources to which the nation is entitled."

The controversy over continental shelf jurisdiction led to a number of unofficial conferences in 1969, and to the formation of a United Nations "Permanent Committee on Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction." The Seabed Committee (as it has come to be known) held a four-week conference in 1970, followed by a number of planning sessions in subsequent years. The Committee's work culminated in plans for a decisive Law of the Sea Conference, several times postponed, and now at last convening in Caracas.

ENTER THE MINERS

While the world's diplomats and political scientists debated the issued, engineers and entrepreneurs began the development of a new technology, whose commercial potential rivals that of offshore oil: mining the deep seabed (beyond the Continental Shelf) for manganese nodules. First discovered on the 1872 voyage of the British ship *Challenger,* (for which the *Glomar Challenger* was named), manganese nodules are potato-size lumps of rock which lie in dense beds on the ocean floor. Typical nodules contain 25-30 percent manganese, 1-1.5 percent nickel, 1-1.5 percent copper, and 0.5-1.5 percent cobalt—the copper and nickel percentages are greater than in most current land-mined ores. All four minerals are of crucial importance to our technological civilization (e.g., for steelmaking), and all except copper are supplied in the U.S. largely as imports, mostly from the developing countries. Geologists estimate the total quantity of nodules to be trillions of tons; fortunately for would-be miners, the nodules frequently seem to occur in relatively compact clusters. Many nodule beds have been mapped during the past decade, especially in the Pacific southwest of Hawaii.

"Within ten years of the first commercial ocean mining, land-based nickel mines will close down, followed within 20 years by the bulk of the copper mines."

The pioneer in developing manganese nodule mining technology is Virginia-based Deepsea Ventures, a subsidiary of Tenneco, which initiated serious research and development in 1963. Since that date, Deepsea has been joined by such firms as Kennecott, International Nickel, Shell, Union Carbide, U.S. Steel, Bethlehem Steel, and Ocean Resources, Inc., plus, of course, Summa Corporation. Foreign companies and governments are also at work. Japan's Sumitomo Group is among the 24 firms belonging to the Ocean Resources mining consortium. Germany's Metallgesellschaft AG and Preussag AG, and France's Societe le Nickel were among the 18 organizations in five countries found by the U.S. Geological Survey to be engaged in nodule recovery and process technology development as early as 1971. Deepsea Ventures has invested $150-200 million in ocean mining development, and Kennecott recently announced a new $50 million, five-year research program. Secretive Summa Corporation, apparently the leader in actual mining technology, has released no figures on its investment to date, but its mining equipment is considered to be the most sophisticated yet developed.

The technology involved in recovering minerals from the seabed is prodigious. Both the Summa and Deepsea systems operate with a sea-floor dredge head, which sucks in water and nodules like a giant vacuum cleaner. The Summa system was designed by Lockheed Missiles and Space Company (developer of manned submersibles, also) and Global Marine, Inc. (operators of the *Glomar Challenger*). In it, the nodules are cleaned and crushed, then pumped up a several-mile-long pipe to the mining ship. Ocean Resources, Inc. has tested a simpler but less reliable system involving a series of scoops or buckets mounted on an extremely long loop of cable; a traction drive on the ship drags the buckets along the bottom and hauls them up to the surface in a continuous dredging process.

But collecting the nodules is only part of the story. To be of any use, they must be chemically processed at land-based processing plants. Kennecott has operated several pilot processing plants using an ammonia leaching process and is currently designing a full-scale plant. Deepsea Ventures has spent the past several years perfecting a wet process treatment that recovers 95 percent of the metal in the nodules, producing sheets of pure manganese, nickel, copper, and cobalt. The company plans a full-scale operation designed to process a million tons of nodules per year, yielding all four metals in commercial quantities. Kennecott, International Nickel, and several other companies consider the nodules' copper and nickel to be the real prize, and their processing operations assume manganese to be a by-product. Summa is apparently concentrating solely on the mining end, leaving the processing to other companies.

ECONOMIC POTENTIAL

Estimates of the actual commercial potential of manganese nodules vary, depending on the source. Using 1967 figures, a World Bank study estimated that if enough nodules were processed each year to meet the total world demand for cobalt (at 1967 levels), the needed 6.5 million tons of nodules would

simultaneously produce 22 percent of the annual demand for manganese, 0.9 percent of the demand for copper, and 13 percent of the annual demand for nickel. Just the Deepsea Ventures and Summa Corporation mining efforts (if they achieve their target annual production rates of one million, and three to four million tons, respectively) would come close to supplying these amounts.

John L. Mero, president of Ocean Resources, thinks ocean mining will produce a glut of manganese, as companies go after the more valuable copper, nickel, and cobalt. If 100 million tons of nodules were mined per year, Mero estimates, processing would yield 1.5 million tons of copper, one-third of the noncommunist world's annual demand. Production at those levels would also yield three times the current annual noncommunist demand for nickel, along with 240,000 tons of cobalt. Mero's figures indicate that each dollar of capital investment in ocean mining will yield three dollars a year in minerals, while each dollar invested in land mining yields only 25 cents per year. Figures of this sort lead Mero to predict that within 10 years of the first commercial nodule mining, land-based nickel mines will close down, followed within 20 years by the bulk of the copper mines.

Although Mero's figures are considered by some to be overly optimistic, the potential of ocean mining to provide sizable amounts of manganese, nickel, copper, and cobalt appears certain. *The extent of this potential, and its impact on both the mining entrepreneurs and the existing producers, provides the explanation for a movement that is reaching its climax with the Law of the Sea Conference.*

COMMON HERITAGE?

For the past seven years the idea that the deep seabed should be declared the "common heritage of all mankind" has been gaining momentum. Under the common heritage principle, jurisdiction over the seabed would be vested in a collective agency, probably an arm of the U.N., which would see to it that the benefits of exploiting seabed resources were divided up among nations on the basis of *need.* The differences between the common heritage approach and existing law based on freedom of the seas are summarized in the accompanying table.

The movement to promote this idea began in November 1967 with a speech to the U.N. General Assembly Political Committee by Dr. Arvid Pardo, the delegate from Malta (an island nation of 122 square miles and a population less than that of Louisville, Kentucky). Pardo proposed the appointment of a group to draft a U.N. resolution providing that "the net benefits of the exploitation of the seabed's resources would go primarily to the development of the poor countries."

Two themes kept cropping up in Pardo's speech as purported rationales for the new approach—the arms race and colonialism:

> Present and clearly foreseeable technology also permits effective exploitation [of the seabed] for military or economic purposes. Some coun-

Freedom	Common Heritage
The seabed belongs to everyone (or to no one) and all have equal right of access to it.	The seabed is the common heritage of all mankind and the right of access to it is not necessarily equal for all purposes.
Everyone has an equal right to exploit the seabed for his personal gain and no one may deny this right to another.	Exploitation of the seabed is done on behalf of the international community.
Any usage of the seabed is permissible (unless specifically prohibited by treaty), providing only that it does not interfere "unreasonably" with other uses.	Uses of the seabed are allowed on the basis of their conformity to standards established under the concept of the common heritage.
If two users compete for the same part of the seabed or otherwise propose uses that are mutually exclusive, priority is established by who gets there first.	Priorities among competing uses are established by balancing the interests involved for the greatest net benefit of the world community.
Existing law of the sea requires no specific administering or enforcing agency. Claims of "unreasonable interference" are settled by persuasion or coercion.	Law devised to implement the common heritage concept may require an administering agency to determine priorities, collect revenues, issue licenses, and so forth.

Source: George Cadwalader, SCIENCE, *Oct. 5, 1973, p. 17.*

tries may be tempted to achieve near-unbreakable world dominance through predominant control of the seabed. . . . The process has already started and will lead to a competitive scramble for sovereign rights over the land underlying the world's seas and oceans, surpassing in magnitude and in its implications last century's colonial scramble in Asia and Africa. The consequences will be very grave: at the very least, a dramatic escalation of the arms race and sharply increasing world tensions, caused also by the intolerable injustice that would reserve the resources for the exclusive benefit of less than a handful of nations.

"The resources of the seabed should ultimately benefit those with the greatest needs."
–Warren Wooster, SCIENTIFIC AMERICAN

Pardo's raising of these issues appears highly exaggerated. The oceanic arms race has been going on for decades, and it's not at all clear that ocean mining will cause a "dramatic escalation," even if there are disputes about claims. Further, it is hardly clear that a U.N.-type regime would be the best way to minimize such conflicts, should they occur. And the analogy with African colonialism is strained; in the latter case, the main objection was that the inhabitants of the colonized areas were subjected to external rule, and had their resources taken away. The seabed, of course, has no inhabitants. However, the majority of U.N. delegates are from countries which are former colonies, and for whom the word "colonialism" brings forth powerful emotional reactions (as it does for many of today's liberals). As such, it is a useful tool for people with aims such as Pardo's.

The Pardo speech fell on fertile ground. Little more than a month later, *SCIENCE,* the journal of the American Association for the Advancement of Science, published an extensive article on the seabed, taking no position on Pardo's proposal, *per se,* but agreeing that the question to be decided was how the seabed's resources are to be "divided up." Shortly before leaving office, President Lyndon Johnson appointed a prestigious commission, chaired by ex-MIT president Julius Stratton, to develop long-term recommendations for government ocean policy. Johnson made no bones about what he expected the commission to recommend: "Under no circumstances . . . must we ever allow the prospects of [the sea's] rich harvest and mineral wealth to create a new form of colonial competition among the maritime nations. We must ensure that the deep seas and the ocean bottom are, and remain, the legacy of all human beings." True to form, the Stratton Commission early in 1969 recommended the establishment of an international authority to register all claims beyond the Continental Shelf, with the claimant paying both a registration fee and royalties on all output, to be used to aid the developing countries. It urged the United States to "seize the opportunity for leadership which the present situation demands," by working to make these proposals a reality.

The common heritage theme was indeed seized—by the media. That July, MIT's respected *TECHNOLOGY REVIEW* endorsed the Stratton Commission's recommendations, in an article by economist David Brooks of the U.S. Bureau of Mines. In September, a special issue of *SCIENTIFIC AMERICAN* featured a lead article by Roger Revelle urging U.S. policy to be based on the principle that seabed resources "are the common heritage of all mankind and shall be used and conserved in the common interest of all men. All countries shall participate in an equitable manner in the benefits gained from these resources." In a companion piece, oceanographer Warren Wooster also endorsed the common heritage principle, because it was responsive to "a strong feeling among the disadvantaged nations that the resources of the deep seabed should ultimately benefit those with the greatest needs." In November, Sam Pope Brewer wrote a series of news analysis articles in the *NEW YORK TIMES* arguing that the common heritage principle was "equitable" and provided for a "really just settlement." And on December 1 the *TIMES* editorially endorsed common heritage, citing the dangers of "a new era of colonial competition." Thus, the public was well-prepared by the media for the General Assembly's December 16, 1969 adoption, by a 62 to 28 vote, of a resolution stating that pending establishment of an "international regime" for the seabed, states and individuals were "bound to refrain" from all exploitation of the seabed beyond territorial limits. In addition, "No claims to any part of that area or its resources shall be recognized."

Of course, nobody pays much attention to U.N. resolutions, among other reasons, because there is no inherent enforcement mechanism. Thus, it is not surprising that there was no public outcry at the U.N.'s resolution, not even from Deepsea Ventures, Kennecott, or any of the others then working on ocean mining technology. But the situation changed dramatically in May of 1970 when President Nixon, at the urging of the State Department, proposed an international seabed treaty renouncing all U.S. territorial claims beyond the 200-meter depth, accepting the common heritage principle beyond that depth, and promising "substantial royalties" (figures ranging from 50 to 66 percent of revenues were mentioned privately) to the developing countries. Clearly, a treaty signed by the U.S. government carries far more weight than a Presidential commission's vague policy

recommendation or a grandoise U.N. resolution. Thus, mining company interests at last became alarmed and complained to Congress. In July Senators Jackson, Allott, Metcalf, and Bellmon protested the proposed treaty to Secretary of State Rogers. As a result, a cover sheet was hastily added, downgrading the proposal to the status of a "working paper" for its formal presentation to the August 1970 conference of the U.N. Seabed Committee.

PACEM IN MARIBUS

While this politicking was taking place, the common heritage advocates convened an international conference, *Pacem in Maribus,* (Peace in the Oceans) in Malta, to promote their views on setting up a seabed regime. *Pacem in Maribus* was the brainchild of Elisabeth Mann Borgese and Lord Ritchie-Calder of Balmashannar, both fellows of the Center for the Study of Democratic Institutions in Santa Barbara, which sponsored and paid for the conference. Although the event succeeded in generating substantial publicity for the common heritage concept, Ms. Borgese reported that the conferees generally denounced the Nixon treaty proposal because "it did not go far enough." In particular, Borgese considered the treaty's interpretation of the common heritage concept to be "far too restrictive to be acceptable to the international community."

Elisabeth Borgese has been very clear about what she is after. If the oceans and the ocean environment belong to humanity as a whole, this concept "abolishes the principle of donor and recipient nations, and substitutes for it the idea of rightful and equitable sharing among all nations of what belongs to them in common." Conferee Wolfgang Vitzhum agreed, stating that with establishment of an ocean regime, "At least in one area the odious distinction between donor nations and recipient nations would be abolished. A new beginning would be made." A beginning of what? Borgese replies that the 1970's require "a new kind of planning" that "disregards ownership." Recognizing the magnitude of this task, she stated boldly: "We are developing a new concept of man."

The Malta conference added a third supposed argument to the "arms race" and "colonialism" as justifications for an ocean regime: ecology. "Ocean Crisis Poses Threat to Man's Ability to Survive," reads an August 1970 headline on *Pacem in Maribus.* "Quite clearly," wrote reporter Robert Sollen, "the entire ecology of the oceans is threatened, and with it, man's ability to survive." This kind of alarmism was very popular in the Earth Day atmosphere of 1970, but the excessive zeal of many environmentalists over the past few years has caused thoughtful people to demand *evidence* before making sweeping environmental judgments. As a matter of fact, reports Allen Hammond in *SCIENCE,* "Many oceanographers do not believe that [seabed] mining itself will do much permanent damage to the oceans as a whole . . . because of the relatively small areas to be affected." Indeed, the oceans cover *141 million* square miles. John Flipse, president of Deepsea Ventures, estimates that a tract of only a thousand square miles, with a bottom density of 2.5 pounds of nodules per square foot (of which Deepsea has already located five in the Pacific) would be profitable for some 20 years of mining. If a hundred such tracts were in full operation, this would account for seven-hundredths of one percent of the total area of the oceans. Furthermore, Hammond reports that the areas in which manganese nodules are found "are in many respects biological deserts."

"Seabed minerals are an unowned *resource (as is the seabed itself), available to whoever makes the effort to claim them."*

Lord Ritchie-Calder has charged that some corporations will do their primary nodule refining at sea and will dump acid and alkaline wastes overboard. "Nobody knows what effect this will have on ocean ecology," he warns. Yet his call for alarm seems premature. None of the current mining ventures contemplates refining the nodules anyplace but on dry land, and the economics of processing plant construction and operation are likely to keep things that way.

CONTROVERSY

Since the 1970 Malta conference, progress towards implementing the common heritage principle has been halting. A second *Pacem in Maribus* conference was held in 1971, again with favorable publicity from the media. Elsewhere, however, the proposal continued to generate controversy. In March 1971 the Senate Interior Subcommittee on the Outer Continental Shelf issued a report opposing the Nixon treaty proposal. That same month the National Petroleum Council also urged a complete revision of the President's seabed proposals. The Marine Technology Society sponsored a sea law conference in Washington, at which the divergent views were debated. A similar scene prevailed at the April 1971 Offshore Technology Conference (OTC), where a special joint session was held with 500 members of the American Bar Association to discuss seabed law. Washington attorney Northcutt Ely exemplified the freedom of the seas position in proposing that efforts to write a new seabed law "should be dropped. . . . We should oppose—not propose—the creation of a worldwide offshore authority to raise costs to American consumers as this treaty will do." Garnering most of the publicity, however, were Dr. Arvid Pardo of Malta, and Dr. Julius A. Stratton, who was given the

OTC Distinguished Achievement Award for his work on the President's Commission on Marine Science, Engineering, and Resources.

That an organization composed of representatives of offshore resource developers should give their highest award to the author of a proposal to tax and regulate them (perhaps out of existence) is illustrative of the confused state of the industry as recently as 1971. It was not until 1973 that any serious, active industry opposition to the common heritage principle began to be developed. And unfortunately, the form that this opposition took strongly damaged the credibility of the mining industry. In 1973 the American Mining Congress put together an ocean mining bill, under which the U.S. government would grant companies 40-year licenses to tracts of ocean floor 40,000 kilometers square, and underwrite any company losses during the 40-year period, in exchange for a $5000 license fee. In addition, the bill provided that the U.S. would agree to respect nonconflicting claims to mining tracts authorized by other national governments, so long as they passed similar laws. The bill was introduced into Congress by Senator Lee Metcalf, who later disclaimed sponsorship, so blatant were the bill's subsidy provisions. Fortunately, the bill has been laid quietly to rest.

The approach represented in the Metcalf bill illustrates the disappointing failure of many of today's industrialists to think in principles. They object to a collective body asserting the right to expropriate a portion of what they have worked hard—with their own resources—to produce. Yet their proposed solution falls back on government subsidy of their losses, provided by expropriating part of the money that American citizens have worked hard to produce. What is wrong for a collective of foreigners to do is equally wrong for a collective of Americans to do. Expropriation is expropriation, whether it is called "equitable distribution of the common heritage of mankind" or "government underwriting of the costs and risks of developing ocean mining technology." Another word for it is *theft.*

"In the long run, the developing nations will be better served by unhampered production than by continued rip-offs."

A RATIONAL SOLUTION

The mining interests were partially on the right track, however, in asserting the need for registering claims. The basic principle is simply that seabed minerals are an *unowned* resource (as is the seabed itself), available to whoever makes the effort to claim them. The seabed is a frontier area, much like the American West (albeit without Indian inhabitants with possibly conflicting claims to territory and resources). U.S. mining law developed in a laissez-faire atmosphere, based on largely rational, common-sense principles of "first-come, first-served." When a miner located a promising spot, he staked out a claim to a piece of land of a size he could work, and registered it with the authorities. If he was the first to register the claim, it was recognized as his property.

The same principles can be applied to the seabed. Modern systems of navigation permit ship locations to be known with great accuracy. Defining specific claims to seabed territory poses no particular problems, nor does marking them with stationary buoys, if necessary. Frequent surveillance to detect claim-jumpers is possible via satellites such as ERTS-1 and its successors, equipped with high-resolution, multi-spectral photographic systems and telemetry for relaying the pictures to ground stations at frequent intervals. A public registry of claims would inform all interested parties of those areas already being worked. None of this need involve the U.N., dominated as it is by a majority of countries with no legitimate interest in the seabed.

Fortunately, several ocean mining executives seem to favor this type of approach. Malcolm Wilkey of Kennecott proposed "a simple registry where claims would be filed on a first-come, first-recorded basis," as early as 1970. John Flipse and Deepsea Ventures counsel Richard Greenwald have proposed that Congress establish a U.S. national registry for seabed mining claims, and that as other sea-mining nations pass similar legislation, the U.S. should reach agreements with them for mutual recognition of claims. T. S. Ary, vice-president of Union Carbide Exploration Corp., has suggested bypassing the U.N. in favor of mutual agreements on claim recognition between nations whose companies are involved in ocean mining.

All of this makes very good sense. Unfortunately, the mining companies are very late in bringing their story before the public. The advocates of the common heritage concept have a seven-year head start, and the advantage of a left-leaning press that has given them tremendous exposure. And the American Mining Congress committed an incredible PR blunder by proposing the Metcalf subsidy bill.

Still, there may yet be time to turn things around. The past year has seen a flurry of activity within the Nixon Administration regarding the forthcoming Law of the Sea Conference. Largely at the urging of outgoing Treasury Secretary George Shultz, government analysts have been conducting a "drastic reassessment of previously stated U.S. positions." Four Treasury economists were assigned full-time to study seabed issues, starting in March 1973, and reportedly U.S. officials "do not rule out the possibility that, after close analysis, some tenets in the U.S. position could be discarded." Specifically, Shultz's free-mar-

ket economists question whether a strong international seabed authority is in the U.S.'s economic interest, and are reconsidering the "feasibility" of the common heritage concept.

What has probably shaken the government out of its altruist "idealism" is the energy crisis and the Arab oil embargo. Already the developing nations in the U.N. have begun to prepare plans to emulate the Arabs' success in holding up the developed countries. Organized as the Group of 77 (actually numbering 96 countries), they conducted a special assembly on raw materials and development in April of this year. The assembly adopted a four-point program calling for:

- The absolute right of developing nations to nationalize natural resources, without compensation to producers
- Extension of aid to national liberation movements
- Linking the prices of raw materials with those of manufactured goods, and
- Establishment of cartels among nations producing raw materials.

It is the first and fourth of these proposals, for nationalization and cartelization, that portend future shortages of key raw materials—such as copper, nickel, cobalt, and manganese. The U.S. currently imports 20 percent of its copper, 84 percent of its nickel, 92 percent of its cobalt, and 95 percent of its manganese. In 1971, the developing nations produced half the world's supply of copper, one-quarter of its nickel, three-fourths of its cobalt, and one-third of its manganese. Thus, although the U.S. is now highly dependent on the developing countries for three of these four minerals (all except nickel), the unhampered development of ocean mining would ensure an adequate supply.

Plainly, it would also torpedo any cartel among producers of these key minerals. Countries such as Gabon and Brazil (manganese), Chile and Zambia (copper), and Zaire (manganese and cobalt) therefore have an especially large stake in promoting the common heritage approach. It is not just a new rip-off they are after (as in the case of nonproducer countries like Malta); their existing hold on mineral producers and consumers is severely threatened by the development of ocean mining.

NEW POLICY

The U.S. government should enunciate a new policy regarding the law of the sea. It should junk the 1970 Nixon treaty proposal entirely, and reaffirm its support for freedom of the seas. It should therefore unilaterally renounce all territorial ambitions to the seabed, while simultaneously endorsing the principle of first-come, first-served for all ocean development enterprises. In short, it should take a firm stand for private property rights on the seabed, free of sovereignty, taxation, and regulation. Exempting ocean development ventures from taxation would underscore the lack of U.S. territorial ambitions to the seabed. (How can the government tax where it has no sovereignty?) And unless the U.S. were prepared to commit the U.S. Navy to their defense, taxing such ventures would be no different in principle from the U.N.'s proposed rip-off. By not taxing ocean ventures, and not declaring sovereignty, the U.S. government would make very clear the moral difference between freedom of the seas and the common heritage concept.

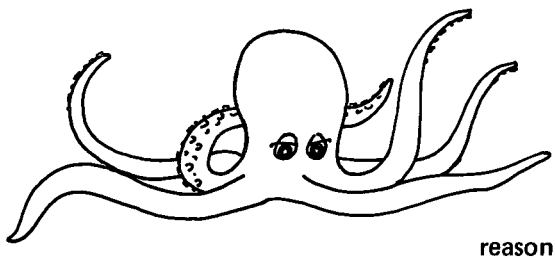
There is indeed a need for a "rule of law" concerning the seabed, as Lord Ritchie-Calder demands. But a rule of law need not be U.N.-made statute law, and *must not* be a scheme for legalized plunder of the producers. A law of the seabed based on mutual respect for established mining claims can evolve in common-law fashion, to protect the rights of those involved. And in the long run, the developing nations will be better served by unhampered production than by continued rip-offs.

John Mero of Ocean Resources points out that "If the mineral producing countries really want to make money, they can go out to sea like us. As for the U.N. collecting royalties, the poorer countries would do better to make good on their own with the help of the cheap minerals we'll be producing." Adds John Flipse of Deepsea Ventures, "If we develop this new technology, this will make those minerals available to the world market. Without this new supply, at the rate copper prices are going up right now, the chances of Africa getting copper wire for developing an electric system are zero."

The proper prescription for the law of the sea consists of a single, uncomplicated word: *laissez-faire.*

If Howard Hughes really wants to enrich mankind —or, in free-market terms, if he wants to enrich himself—then the big challenge would be for him to establish his ownership of a section of ocean floor and mine it just like the plain folks back home. He could argue that wetness or dryness has nothing to do with his claim to property; he has access, he can survey his boundaries, he has acquired his property without force or fraud or violence; he is enjoying it without disturbing his neighbors; and he is exploiting it in such a way that raw material costs all over the world are declining.

—William F. Rickenbacker, writing in NATIONAL REVIEW, Dec. 21, 1973.



FREE SPACE

Paul L. Siegler

American Satellite Corporation. Communications Satellite Corporation. GTE Satellite. Realities now. Not as spectacular as the first man in space; not as controversial as man on the moon—but existing and functioning. These companies and others are the precursors of a vast web of commerce in space. These companies have analyzed the future and have seen the profit potential in space commerce. Soon there will be many more, competing for rights to chunks of vacuum each a million cubic miles in volume. What is the nature of this future about which so few people have heard? What are the real barriers to a thriving free enterprise system in space? Come with me a short while to see what potential beauty—and bane—lie ahead.

THE REAL BEGINNING

Remember Telstar? Remember the first worldwide TV hookup, with the horses from Austria and marching guards from Britain? That was the real beginning; that was AT&T, gambling some of its resources on a possible future for itself. But it was not to be. The Congress of the United States and numerous public officials decreed that international communications was too important, too diplomatically sensitive, to be left in the hands of a single company like AT&T. [1,2] Thus was born Comsat—a quasi-public monopoly corporation—whose responsibility would be international communications by satellite. The Congressional charter gave Comsat a unique franchise, with a board of elite directors and a board of Congressional overseers. A complex formula was worked out in an attempt to assure an equitable distribution of public ownership in this monopoly franchise. That was a *decade* ago.

By 1965, some other companies had begun to notice the vacuum in domestic satellite communications, and developed plans to augment existing ground channels. In March 1966, American Broadcasting Company applied to the FCC for the appropriate permit, to launch its own satellites for domestic radio and TV broadcasting. The company estimated that such a service would save the networks $50 million per year. [3] But it was not to be. The FCC decreed that domestic satellite communications was too important to be developed without thorough study; thus came an eight year study and freeze on the launch of any private satellites for domestic U.S. communications. In the interim, the Soviet Union and Canada recognized the value of satellites for their own internal communications, and developed and launched the Molniya and Anik comsats, which are now operational.

What was the cause of the delay within the FCC? Aside from the normal delay time needed to define appropriate regulations and assign frequencies, there was a crucial power struggle going on within the bureau. The primary antagonistic concepts were: 1) AT&T is a monopoly and should not be allowed in space, as its size would give it an unfair advantage over any other company; 2) only a single company should be allowed such a franchise—the company to be determined by the FCC; 3) only those showing proper credentials should be allowed in space, for their own good—such credentials including a history of reliability, financial solvency, and an undefinable quality known only to the board members of FCC; 4) essentially any company should be allowed the privilege, within certain specific guidelines. Several times during the decade, the FCC placed a call for those companies which desired to place their own satellites in orbit, for the purpose of domestic communications. The last call, in 1970, received responses from Fairchild Hiller, RCA Globcom, Western Tele-Communications, Western Union Telegraph, TelePrompter, an AT&T/Comsat consortium, a Hughes/GTE consortium, and a Microwave Communications/Lockheed consortium. [4]

With prodding from President Nixon's Office of Telecommunications, which called for a free arena in space, [5] the FCC finally bit the bullet in 1973 and declared space open to essentially any company which could show itself capable of sustained operations—so long as its plan was approved by the FCC. As a result, 1974 has seen the launch of this nation's first satellite for domestic communications: Westar. The satellite is owned by Western Union, which gambled that space would indeed be a free arena and began its product development well in advance of the 1973 decree. Others will follow.

But is this the end of bureaucratic infighting and petty bickering for control? What do *you* think?

Several years ago, Automated Marine International, funded by a consortium of private ship owners, performed a study to determine the feasibility (on all levels) of a ship-to-shore satellite communications net, which would drastically improve existing communications between land and ships at sea. [6] The conclusions of the study were very favorable, both

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from a service and a profit point of view, and plans were begun for development of a ship-to-shore system which would satisfy the needs of private shippers. But it was not to be. The various governments, within whose borders ground stations were to be located, decreed that such a system was too politically important to be left to the control of either private interests or some other government. There followed a series of meetings—this time between petty bureaucrats of many nations—to determine frequency assignments, operating and funding responsibilities, and division of control: to date, this series of meetings has lasted four years! And there is no agreement in sight. Nonetheless, Comsat—under the quasi-aegis of the U.S. Navy—has begun a development and manufacture program to launch its own ship-to-shore satellites. Whether or not Comsat will await international approval is uncertain at this time.

"The FCC finally bit the bullet in 1973 and declared space open to essentially any company capable of sustained operations."

With such barriers, why are companies still eager to go into space? Consider the following:

- Satellites open entire new frequency bands, vital to efficient communications in areas plagued by congested bands.
- Satellites open new markets because of their inherently lower costs compared with existing ground lines. For example, Western Union expects to be able to reduce domestic rates, from $3000/month for AT&T lines, to $1000/month.[7]
- Most important of all, satellites offer high profit potential. Total cost for two Western Union satellites ["cost," unless otherwise stated, includes launch vehicle, preparation for launch, and any overhead the satellite manufacturer includes in his bid] and five earth stations will be about $70 million. The company expects $20 million annual revenue, and 18 percent profit before tax.[8] The ship-to-shore concept would require three satellites: one over the Atlantic with 10 voice-channel equivalents; one over the Pacific with 7.5; and one over the Indian Ocean with 5 channels. Cost for the satellites, four earth terminals, and associated access to the terminals would be $75 million, with operating costs (1974-1980) totalling $40 million. It would cost a ship $22,000 for 2-way voice and recorded message equipment. Using conservative market assumptions, revenue in the 1974-1980 period would total $258 million, yielding a profit of $45 million by the end of the seventh year, and a return on investment of 25 percent after the first 10 years.[9]

Before I go any further, please note two things. First, a satellite system does *not* have to be exorbitantly expensive, regardless of NASA's penchant for multi-billion dollar budgets; and second, continuing advance in state-of-art technology is driving user costs *down.* Thus it would seem that almost everyone can benefit from space operations.

NEAR-TERM APPLICATIONS, AND BARRIERS

Consider a few more realistic near-term applications to space, and the nature of the barrier.

Satellite broadcasting direct-to-home is completely within current technological capabilities. Such a service would cost the broadcasting company little more than existing broad-coverage methods, and would cost a home-user of the service only about $50 for a special receiving antenna about 1.5 meters square, pointed up instead of out.[10] Not only would the concept open a multitude of TV channels not now available, but it would also allow such services as direct home news input (instant newspapers), picturephones, and direct mailings from one location to another. The barrier? The FCC, of course, under pressure from networks who view this as a potentially serious fragmentation of their market; and the closed countries, which fear the effects of satellites beaming broadcasts—unjammable—into the homes of their citizens. Intense diplomatic maneuvering is taking place within the halls of the United Nations, as some countries strive to have such satellites outlawed before they become reality.

Another potential money-maker is the sensor satellite. There are now several companies which use planes to photograph land and water areas for agricultural, forestry, and real estate purposes. In many cases, such a service could be performed much more cheaply by satellite, which can sense wide areas in a short time without the constraints of weather or political boundaries. The primary problem? Competition from NASA. In 1969, a land resource company based in Texas (Remote Sensing, Inc.) began surveying routes for oil pipelines in uncharted Alaskan territory by plane. Its services were in demand, until one day its major customer—an oil company—found that NASA had begun the same type of survey, and was offering its data for free to anyone interested. What would you do?

Or the navigation satellite. Positional accuracy is particularly important with high speed planes flying over oceans, with air/sea rescue craft, and with oceanography research vessels. For example, because of navigational uncertainties, each plane flying over the North Atlantic is required to take with it a volume chunk of about 15,000 cubic miles to protect it from collision. No plane's volume chunk may impinge on another's. Greater navigational accuracy

—which could be cheaply obtained with satellites—would safely permit smaller volumes of space surrounding each plane, and hence allow more flights on a given route, and shorter delay times. Such an increase in flight rates and efficiency would, according to one estimate, save airlines $46.5 million yearly over the North Atlantic alone.[11] The barrier? Not only has NASA assumed that it has the inherent right to provide such a service, but international bickering over common navigational frequencies, ownership, and operational responsibility has delayed implementation now for several years. The cost of such a system is certainly no problem. One operable system could cost on the order of $40 million. Technology is also no barrier, as the U.S. Navy has had operational high quality "navsats" for years. The problem is—what to do with those free-funded agencies and self-serving bureaucrats who are making devastating assumptions based on recent tradition—the tradition of state control over that which is deemed "vital."

In short, there is a well-defined market need *now* for the services which communications, sensor, and navigation satellites can offer. Cost to the user would be as cheap as or less expensive than currently available alternatives, and the resultant services would be far superior. Profit projections appear to be quite healthy. The primary barriers to implementation, over and over again, are governmental regulation and intervention in the areas of potential application. A company cannot make rational plans if it is required to wait an indeterminate time before it is allowed to implement its plans—especially when such a delay allows its competition to both learn of its plans and to catch up with it technologically. Nor can a company compete with a government agency which gives similar services to its customers for "free." Even the threat of such competition is usually sufficient to prevent a company from investing in long-term research and development to that particular end. This is the situation now.

INTERMEDIATE-TERM APPLICATIONS, AND HOPE

What of the intermediate-term, 1980 to 1995; is there any hope there?

By that time, manned space stations will probably become common. The emphasis in these stations will be primarily manufacturing, basic research, and medical research (today's Skylab is a precursor to such activities), because the environment of space offers unique advantages over Earth's environment. As technologies become more exotic, more and more processes use space conditions artificially induced in Earth laboratories. Consider for a moment what space offers: absolute vacuum; zero to ultra-low gravity; extreme thermal ranges; an entire spectrum of radiation; virtually unlimited volume; and an environment free of noise, vibrations, and dirt. Oh, some of these conditions can be duplicated on Earth but it costs money. And some parameters—such as zero gravity—can only be duplicated for extremely short duration.

Given a high enough cost to cancel Earth's environment, the idea of going to the real thing begins to make hard, economic sense. It's not only the obvious which makes economic sense. Take a look at many manufacturing processes of high quality materials on Earth, and you will find heavy investment in hot rolling, cold rolling, forging equipment, and so on. A complex quality product cannot be simply cast in Earth's one-G environment, since in the crucial liquid state, the various metals tend to separate from each other due to buoyancy factors. While this is purifying for the basic metal, it also leads to irregular solidification and crystallization, which means that castings become too weak for many applications. Hence the need to invest in expensive equipment to counter the effect of gravity on the material in its workable liquid state.[12] In space, one works directly with the "free-floating" liquid, which is pliable and easily susceptible to dimensional manipulation.

One also finds that many products which cannot even be made on Earth (such as mixtures of immiscible materials, fiber-reinforced metals, thin-walled perfect hollow spheres, etc.), can be made in space with relative ease. I have indicated in a research report[13] that there are a number of potential applications of manufacturing in space which could cost less than similar processes on Earth. In general, such products would be made attractive by either a very high value per weight of finished product (such as diamonds, vaccines, and viral pesticides), or a high annual production rate of a complex material (such as composite castings embedded with metal whiskers).

Where's the barrier? Where to begin? . . . Let's start with cost. If we're speaking as a completely private venture, we must consider not only our own space station, but also our own astronaut program, and even our own launcher vehicle. Take one look at NASA's figures for the Skylab and Space Shuttle, and shudder. Eight to 10 billion dollars for capital investment, plus subsequent operating costs. No self-respecting business would entertain such a program unless the risk of return on investment were negligible. Ah, but we have a reprieve, for NASA is willing to absorb all the capital costs of the Shuttle ($6 billion for five recoverable Orbiters), and will let us have it for $10.5 million per flight. With a maximum payload of 65,000 pounds, one Shuttle trip would cost about $160 per pound to orbit and back. Well, that's not too bad, considering that today's launch-to-orbit costs are in the neighborhood of $1000 per pound. Now how about the space station? Again, NASA is gracious to the point of perfection, and will offer us its station as a basic workshop, in which we can lease space. Or we can have NASA add a little factory module to the core station for $500 million. Again, a little better, but—oh yes, NASA requires control over launch and space activities, has a backlog of applicants with

higher priority, and at least some of the information gained must be shared with the public, as this was a public-funded project you know. The gloom returns.

Of course there is an alternative. Have you heard of the launcher designed by the German firm Technologieforschung GmbH? No sophisticated sleek machine, this state-of-art launcher would require capital costs of $152 million for five nonrecoverable vehicles (capital cost of $30.4 million per vehicle would decline rapidly as more vehicles were produced) and a launch cost of something less than $200 per pound, for payloads of up to 25,000 pounds. [14] Not too unreasonable—but what about the station? When General Electric performed a cost analysis of one particular program, it landed on a total space factory cost of something less than $10 million (unmanned; manned could perhaps triple the cost), with operating costs approaching $10-15 million per year. [15] At the most, this comes to maybe $200 million for an entire launcher and space station program. Comsat was able to gain this amount of equity capital in one day through issue of stock.

There seems to be some discrepancy here. Eight billion versus two hundred million—both of which get some men into space and let them work on projects in space. What's happening?

"Satellite broadcasting direct-to-home is completely within current technological capabilities."

COST: A PRIVATE VS. A PUBLIC ORGANIZATION ORGANIZATION

The causes of cost in a public agency such as NASA are quite complex, and any discussion such as this must simplify; but some viewpoints will suffice. Consider first that a private company's primary objective is profit. This means avoiding ventures for which there is no market, and minimizing costs to gain that profit. Thus, ideally, there is no backlog of expenses tied to projects which have a very low or no probability of returning those expenses from future sales; and there is a rational search for least cost/best value to maximize profit. Every institution needs appropriate feedback for its survival, and in the case of a private corporation, it's profit. Or return on investment. The company's success on this level determines its ability to raise future capital for future projects.

A public agency such as NASA, on the other hand, has completely different values. Yes, the scramble for money is still there, but the scramble is to a different tune. Normally, a project has three parameters of prime importance: Cost, Time, and Performance. NASA was formed (in 1958) with the explicit specific intent of "beating the Russians." The secondary purpose was to allow the country to retain superiority in matters of space activities. Thus both the intent and the charter of the organization focussed on Time

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"The primary barriers to implementation of communications, sensor, and navigation satellites are governmental regulation and intervention."

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and Performance—Cost be damned. Certainly there is some budgetary feedback, as Congress waxes and wanes with the moons, but their concern is not so much with an objective cost standard (on what basis does one determine the profitability of a Moon shot?), as it is with voter approval. Give the public a circus. . . .

So NASA grew up in an era of profligate funding, ready to spend anything so long as it "beat the Russians" to the Moon. What did this mean in real terms? I worked in a company directly involved with the Apollo project. It had a fascinating contract with NASA: for every person hired (up to a rather high level), NASA would pay this company an additional x dollars, regardless of the work to be performed. You guessed it—this company made its profit by hiring people, not by producing at efficient levels. (During this period, the president of the company performed a cost study on production of recreational vehicles, a business line it was considering entering. As the company was then set up, each vehicle would cost roughly $100,000 to build. A bit high.)

Such "Cost-Plus" contracts are now being phased out, but we still see NASA in a situation of having to justify and maintain its existence with some very visible projects, projects which would give the agency something more than the appearance of a small research satellite foundation. Hence the Shuttle. Hence its advanced and costly nature—once you've tasted the Moon, it becomes difficult to think small. It's an object lesson for a public agency: give Congress a fascinating dream, and the money will flow, albeit with an occasional snipe. Give Congress a mundane project, and it may well ask—why do it at all? Let private enterprise do it if they need it so badly.

In the past decade, NASA was highly concerned with Time (beat the Russians) and Performance (better than the Russians). Cost was the least important parameter. Now its concern is not so much with Time as with Performance—primarily in identifying projects to assure its survival, and in advancing

technology. The level of funding, though, has been set by tradition and by a certain organizational method. The manner of funding has been set by governmental rules and feedback norms. Thus one should expect similar abstract objectives to cost more when performed by NASA than when performed on a free market basis.

A PSYCHOLOGICAL AND A LEGAL BARRIER

There are other barriers—some psychological, some legal. There are not too many companies attuned to the complexities of large space projects, and those that are have generally become quite accustomed to acting as the suppliers to NASA or DoD, given a secure production contract. One could say that most aerospace companies are no longer a part of the free enterprise system: they have become risk-averse to the point of demanding guaranteed loans (Lockheed, Boeing) or demanding contract cancellation when mismanagement produces cost overruns (Grumman). On a free market basis, one would not consider such companies competitive.

Then there is the question of property definition in space. A space station is a functioning, producing thing, just like a factory on Earth. The only difference is—on Earth, it exists within the boundaries of some state or country, hence is subject to the rules of that dominion. But just what is the status of property in space: could an Earth company treat its satellite as a multinational division in a tax-free zone? Or would it be legally tied to the Earth-bound corporation by some complex Earth law? Just settling on a definition could take years, for it could be argued that the country of sovereignty of a satellite is the country of 1) launch; 2) corporate headquarters; 3) registration; 4) primary assembly operations; or 5) owner's citizenship. On the other hand, the United Nations has begun to establish legal precedents for space as an autonomous arena, free from control by any nation.[16] *Or* for an even more complex problem: consider the situation of a space factory, which establishes its own corporate charter, and which manufactures for another space function—such as assembly of a station or vehicle for extra-terrestrial activities. (Such a function could become one of the prime catalysts for purposeful economic activity in space.) What country, then, could claim traditional sovereignty? Many would certainly *try*. And surely companies would be hesitant to risk great amounts of time and capital with this uncertainty looming in their future.

"It could be argued that the country of sovereignty of a space station is the country of 1) launch, 2) corporate headquarters, 3) registration, 4) primary assembly operations, or 5) owner's citizenship."

RESOLUTION TO ACT

But suppose you've resolved to work in the frontier of space, to take on the legal battles as they come. How would you go about doing it? The first thing to be determined is—to what extent, if any, does NASA *have* to become involved? This is important, as you probably would want maximum control over your own activities, and any dealings with NASA imply some infringement on your independence.

At first, at this stage, NASA must become involved, if only to launch your satellite. Comsat has done very well by contracting independently for its own satellites and launch vehicles, and then using NASA's Cape Canaveral facilities for launch. At this level, NASA controls only an insignificant portion of your project, much as Air Traffic Control at an airport.

Now if you're not a large company already, large enough to set up a separate division devoted to communications satellites, how do you proceed? One scenario could follow this event sequence.

- Establish a small service-oriented company. Such a company would not manufacture, but would serve as a broker between a potential customer and existing satellite and launcher manufacturers.
- Perform market analyses, to determine pertinent customer needs, and available technology.
- Determine relevant costs for various identified projects.
- Enter Phase I (Market Entry: Broker)
- Finance the initial projects: equity, or more likely, at this stage, sell the concept to the company which would potentially benefit from the space project.
- With sales in hand, negotiate contracts with satellite and launcher manufacturers.
- Negotiate with NASA for use of launch facilities.
- Launch and operate satellites as the market requires.
- Enter Phase II (Market Acceptance: Manufacturer)
- Assemble team for design and possible manufacture of satellites.
- Negotiate with NASA for options to use the Space Shuttle.
- Call for bids on minimal cost launch vehicle (high weight payload).
- Finance launch vehicle program—independently, or with a consortium of space corporations.
- Continue advanced satellite development;

launch using NASA facilities.

- Enter Phase III (Market Stimulation: Systems Developer)
- Assemble team for design of high profit manned satellites.
- Assemble and train a team of astronauts.
- Sell manned satellite projects.
- Construct, or contract for construction of, manned space stations.
- Finance the manufacture/launch/operation of "mansats."
- Begin development of private launch facilities.
- Enter Phase IV (Market Leadership)

"It is possible to enter space relatively free of governmental control, at least on the pure business end."

Thus it is possible to enter space relatively free of government control, at least on the pure business end. Now, what to do about those bothersome regulations and governmental competition. With some planning and persistence, even these may fall by the wayside.

Because the barriers are political, most of the action must take place on a political level. But to win, one must know what one wants in advance, identify the necessary goals, and follow a consistent strategy without compromise to political control. Because governments generally *react* to technological advances (rather than act in anticipation), it would be to the space corporation's advantage to take *pro-active* steps, to deal from a position of strength.

1. Define space property rights in a context of individual or corporate ownership.
2. Lobby in the U.S. for acceptance of this definition.
3. Using any means at hand, support the UN attempt to free space from national control.
4. Negotiate with NASA to preclude direct competition.
5. Sue any government agencies which use tax money to compete directly or indirectly with your projects. Assuming turnabout is fair play, consider suing on the basis of unfair competition and monopolistic exclusion from market.
6. Lobby in the U.S. for cancellation of NASA's utility-oriented space projects, such as the Shuttle. Use the SST precedent as one example. Redefine NASA as a basic research bureau only.
7. Ally with offices and bureaus (such as the Office of Telecommunications) which have established their own philosophic precedent of space as a free arena.
8. With each launch of your private satellite, publicly state its autonomous existence in Free Space.

One need not bewail the present for want of freedom. With purpose and a plan, it is quite possible to do battle with existing legal barriers, and still make a profit in space. The future can hold a beauty limited only by human imagination. The only question then remaining is—Would you like to come along? ◻

NOTES AND REFERENCES

[1] *AVIATION WEEK,* July 31, 1961. Edward Welsh, Executive Secretary of the National Aeronautics and Space council: "We can't have private companies shooting up rockets at will. This could start a war."

[2] *AVIATION WEEK,* Feb. 12, 1962. Comment by Representative Emanuel Cellar on President Kennedy's proposal for a publicly owned, government supervised comsat system: "The hand of monopoly [i.e. AT&T] now shall not be laid upon this system."

[3] *AVIATION WEEK,* April 7, 1969.

[4] *AVIATION WEEK,* March 22, 1971.

[5] *AVIATION WEEK,* Nov. 8, 1971. Statement from the Office of Telecommunications: "There is no evidence to indicate that selection of the successful operator(s) by the government is either necessary or preferable on public interest grounds to a marketplace determination. The cost of these systems is great, and investors will weigh their prospects carefully before making final commitments to systems without an adequate traffic base or competitive advantage."

[6] *AVIATION WEEK,* May 1, 1972.

[7] *WALL STREET JOURNAL,* March 21, 1973.

[8] *AVIATION WEEK,* Jan. 15, 1973.

[9] *AVIATION WEEK,* May 1, 1972.

[10] R. B. Marsten, "Operational Telecasting by Spacecraft After 1975," *AMERICAN ASTRONAUTICAL SOCIETY PROCEEDINGS,* Vol. 23 (1968).

[11] David Roese, "Satellite Navigation Aids for Transportation of the 1970's," *AMERICAN ASTRONAUTICAL SOCIETY PROCEEDINGS,* Vol. 23 (1968).

[12] Hans Wuenscher, "Manufacturing in Space—Zero and Low Gravity—Manufacturing in Orbit," *MANUFACTURING TECHNOLOGY UNIQUE TO ZERO GRAVITY ENVIRONMENT,* (NASA/MSFC), Nov. 1, 1968.

[13] Paul L. Siegler, *COMMERCIAL UTILIZATION OF SPACE,* June 1973.

[14] *AVIATION WEEK,* Jan. 24, 1972.

[15] Ulrich, Chung, Yan, and McCreight, *ECONOMIC ANALYSIS OF CRYSTAL GROWTH IN SPACE,* (General Electric Company).

[16] "Declaration of Legal Principles Governing the Activities of States in the Exploration and Use of Outer Space" (*SPACE ACTIVITIES AND RESOURCES,* United Nations, New York, 1972)—adopted at the 1280th General Assembly plenary meeting on December 13, 1963; reaffirmed at the 1499th plenary meeting on December 13, 1966:

"3. Outer Space and celestial bodies are not subject to national appropriation by claim of sovereignty, by means of use or occupation, or by any other means. . . ."

Note, though, that subsequent articles in the Declaration hold each state liable for harmful or dangerous acts of satellites registered in those states. This could be used as a lever for regulation and control.

PIRACY on the california coast

M. Bruce Johnson

On November 7, 1972, the voters of the State of California passed by initiative the Coastal Zone Conservation Act, listed on the ballot as Proposition 20. The Act defined a Coastal Zone extending from Oregon to the Mexican border, as far out to sea as the outer limit of the State jurisdiction and as far inland as the highest elevation of the nearest coastal mountain range. Within this Coastal Zone, that land from the mean high tide inland 1,000 yards was designated as the "permit area." Under provisions of the Act any development, construction, or modifications of property in the "permit area" may henceforth proceed only after a permit has been obtained from one of six Regional Coastal Commissions. In addition, the Commissions were charged to develop a comprehensive land use plan for the larger Coastal Zone and to submit that plan to the California State Legislature for approval in 1976.

The attenuation of property rights under the Act is clear and dramatic and came with ample warning; a portion of the initiative reads, "The People of the State of California hereby find and declare that the California Coastal Zone is a distinct and valuable natural resource belonging to all the People." Notice that the people have preempted the miles-wide Coastal Zone, not merely the 1,000 yard permit area. Significantly, not one word in the language of the coastal initiative refers to compensation for the expropriation of private property rights.

Here is an example of how the California Coastal Commissions are proceeding: a land-owner came before the Regional Coastal Commission on which I served and requested a permit to construct a condominium development on four acres on the California coast. The application was denied at a public hearing on the grounds that the erection of said buildings would obstruct the view of the water from the nearest State highway. The fact that a scenic drive already existed between the water's edge and the parcel was dismissed as irrelevant.

Inasmuch as any structure—not just the proposed condominiums—would obstruct the view from the nearest State highway, I inquired whether there was *any* permissible use of the land. The Commission's staff responded that the four acre parcel might be used for a golf course or a cattle ranch. Ever played a round of golf on a one hole course? Or heard of a viable cattle ranch with four head of cattle?

Other projects have been blocked following staff recommendations for denial on the grounds that "the project would remove any alternatives available to any agency in the area of planning." In other words, the right to use privately owned land belongs to the State, not the individual. The inescapable conclusion is that the owners of these parcels have been stripped of virtually all of their property rights without compensation. They retain only the title and the liability for taxes.

THEFT OF PROPERTY

The expropriation of private property rights in this manner, the State-wide election and public hearings notwithstanding, can only be regarded as rank theft. Proposition 20 violates the spirit and the letter of the 5th Amendment guarantee that private property shall not be taken for public use without just compensation. The equal protection clause of the 14th Amendment is also relevant. Traditionally, the majority cannot vote to abridge the constitutional rights of a

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minority. As stated by the U.S. Supreme Court in West Virginia State Board of Education v Barnette (319 U.S. 624, 638), "One's right to life, liberty, and property . . . and other fundamental rights may not be submitted to a vote; they depend on the outcome of no elections."

The Constitution was once regarded as both a guarantee of individual rights of action and a limitation on the acts of the State. The contemporary situation is almost the reverse: under its police powers, the State has arrogated to itself the right to do virtually anything it pleases while individuals may act only by permission. According to Proposition 20, "the applicant (individual land owner) shall have the burden of proof on all issues."

Even if a case could be made for State rather than individual resource allocation, I find no grounds for expropriating citizens' private property without just compensation. Why doesn't the State buy the land it wishes to use, modify, or preserve? The environmentalists' answer: "The cost of purchasing the land that Society wants to save is far greater than the amount Society can pay [i.e., wants to pay]." No doubt that is correct, but it is also *prima facie* evidence that Society gives higher ranking and priority to alternative uses of its public funds. In other words, the public wants the environmental preservation of private land, but only if it is free!

Setting the expropriation issue aside for the moment, will the collectivist decision-making introduced by the Coastal Zone Conservation Act produce a superior allocation of resources than would a decentralized market system based on individual ownership and private property rights? I shall argue that it will not. Further, I shall attempt to explain why, in spite of this logic, the voters of California ratified Proposition 20.

ALLOCATING SCARCE RESOURCES

The fabric of every society possesses an institutional framework within which the scarce resources of the society are allocated to various productive uses. These allocations may be made by central authority in a fascist or a communist state, or by individuals in a decentralized competitive system such as we like to believe we have in the United States. Under the latter arrangement, a bundle of individually owned property rights is attached to each input. These rights include the options to use the input (modify, change, develop, etc.) or to transfer the bundle of rights to another individual via voluntary exchange in a market. The competition among individuals in such a market ensures that a resource will be put in its highest valued use.

If individuals (or groups) are not willing to pay as much or more for final goods and services as was paid for the resources used to produce them, the resources have been improperly used. Because of the competition in this system, resources flow into their highest valued uses as determined by the public's purchase of final goods in the market.

In addition, the ability of individuals to capture the potential returns from various uses of the resources provides a tremendous incentive for growth and development—the potential for achieving the maximum output from the resources available and for achieving the appropriate mix of inputs and outputs.

It has been argued that the rise of private property rights in large measure explains the Industrial Revolution in the Western World. Prior to widespread private property rights, entrepreneurs had no incentive to engage in creative activity because the financial returns to their activities did not accrue to them. Once the right to own private property became widespread, these external benefits could be internalized and captured by innovative entrepreneurs. Hence, great productivity and creativity was unleashed.

"The public wants the environmental preservation of private land, but only if it is free."

The argument is quite simple: Would you invest *your* labor and capital in machinery, structures, and land in order to launch a business activity if you thought the returns from the investment activity would not accrue to you? If you thought the land, structure, and equipment would be expropriated when and if the activity became successful?

COMMITTEE DECISIONS

As opposed to this system of private property rights, consider the decision-making procedure established under the Coastal Zone Conservation Act. No market signals exist to direct resources into their highest valued use. Instead, decisions are made by a group of well-intentioned Coastline Commissioners whose motivation is to make the allocation "better" than that achieved under a market system.

But without markets to signal the public's valuation of goods and services, the allocation of resources becomes *ad hoc*. If a handful of environmentalists oppose a development because they believe construction would destroy the nesting grounds of the monarch butterfly, can the Commissioners infer that a majority of the general public values the butterflies more than it does a residential development? Even if the environmentalists assign a dollar value to preserving the butterflies, can this figure be taken seriously if it is never collected from them? Those who benefit from a project will naturally tend to overstate the value of the benefits as long as they do not have to validate their claim with their own money. Similarly, those who are hurt by a project

will overstate their losses. The language of the Act is no help in establishing criteria for resource use; the Commissions are charged to plan for maximum desirable population densities as well as orderly, balanced utilization and preservation . . . of all living and nonliving coastal zone resources—empty phrases without operational meaning.

A Commission *could* attempt to ascertain the public's dollar valuation of alternative uses of the resources even though the techniques available for determining these valuations are imperfect. In my experience on a Regional Coastal Commission, the Commissioners were unwilling to even consider such an approach; every effort to discuss the development of decision-making models and the dissemination of criteria to the public; every effort to find a decision rule based on predictable law rather than uncertain whim was rejected with the argument that "We have no time to discuss philosophy, let's get on with our business."

"The cumulative effect of Commission action is a significant reduction in the number of new units that otherwise would have been added to the housing stock."

EMPIRICAL DATA

How, in fact, has the Coastal Commission conducted its business? According to newspaper accounts, the Commission has approved some 90 percent of the permit applications and would thus appear to be merely another costly but otherwise harmless bureaucratic episode in the already lengthy "Captain-May-I" game would-be developers must play. That may be the image the press or the Commission wishes to project but the facts do not support the image.

In the first 14 months of operation the South Central Coastline Commission approved 95 percent of the applications it received for single family dwellings but approved only 60 percent of the single family *units* requested in those applications. Similarly, while 77 percent of the applications for multifamily units received approval, only 51 percent of the *units* involved in those applications were approved. The probability of approval is high for a request for a permit for *one* dwelling unit but it is low for a permit requesting several or many units. In addition, some (unknown) number of landowners, discouraged by the cost, delay, red tape, and unpredictability of the Commission, have simply not asked for development permits. The cumulative effect of Commission action is a significant reduction in the number of new units that otherwise would have been added to the housing stock.

A market system with private property rights has a check on the actions of individual members; the power of an individual to allocate resources to his own ends is limited by his wealth and ability to borrow. No such check exists on the greed of environmentalists under the system established by the Coastline Initiative. Once in possession of political power, a dedicated minority can allocate resources to their own ends without any check on their activities. Proposition 20 literally issued a blank check to the environmentalists so that their use of the coastline will be expanded until its value to them is zero at the margin. Professor Milton Friedman stated it well: "Concentrated power is not rendered harmless by the good intentions of those who create it." Nor of those who use it.

MARKET IMPERFECTIONS?

But are there not circumstances under which the efficiency of a market system breaks down? Certainly. If monopoly exists, some would make a case for government intervention. But no private monopoly existed in the ownership of the California coastline. Prior to the November 7 election, virtually half of the coastline was already in the hands of local, State and Federal government agencies. The remainder was distributed among many, many individual landholders in parcels of various sizes. Thus, the monopoly argument cannot be used as a justification for public rather than private allocation of coastal land. *A fortiori,* this excuse does not justify expropriation and the abrogation of private property rights.

Another reason given for interfering with the market system is when the commodity falls into the category described by economists as "public goods." National defense, police protection, mosquito control and fireworks displays are traditional examples of public goods. The problem is this: if a subgroup of society purchases the commodity, there is no feasible way to exclude the remaining nonpaying members of society from enjoying the benefits—the latter individuals are "free-riders." Hence, the argument goes, since most individuals will attempt to be free riders, not enough of the commodity will be produced.

This argument is not applicable in the case of California coastal resources. Exclusion is possible. Private owners can and do develop parks and recreation areas that are available to the general public on a fee basis. Interested citizens can form nonprofit clubs to preserve coastal areas. Examples of the latter form of organization are private tennis, country, and hunting clubs.

Finally, when all else fails the collectivist argues that externalities or neighborhood effects are grounds for collective rather than individual decentralized decision-making. An externality occurs when my action imposes on another costs or benefits that cannot easily be handled in the market—an involuntary transaction. I submit that the externalities involved with developing the California coastline are

no more severe than is the externality involved when I paint my house yellow instead of the white my neighbor across the street would prefer. This essay may create external effects; some readers may feel worse off after having read it. At the extreme, externalities are involved in virtually every action ever taken by individuals in a society, but the costs of correcting these subjective externalities are frequently much greater than the potential benefits achieved by correction.

ENVIOUS MAJORITY

Why, in the light of these arguments, did the voters of California pass the Coastline Initiative? I submit that envy was a motivating factor. The proponents of the Initiative pandered to this base instinct by their argument: "If we fail to act now, the cream will be skimmed off by a relatively small group." Code words for: "If you can't or won't live on the coast, vote to make sure no one else will." If, as frequently alleged, individuals are grasping, greedy monsters in the market place, by what magic are they transformed into foresighted altruists in the privacy of the polling booth?

Until recently the basic economic philosophy in America has been to create goods and services and to prosper by trading the results of one's efforts to other individuals. In recent decades, we seem to be returning to the earlier mercantilist attitude of beggar thy neighbor. And there can be no doubt that government legislation has brought this about. On the one hand, because of taxation, licensing, and regulation, the costs of "creation and trade" have increased. On the other hand, also due to legislation, the costs of organizing in order to redistribute or transfer income and resources from other individuals to your special interest group has fallen considerably. The lobbies for the farmers, the aged, and the environment are cases in point.

It has become relatively inexpensive to further your own ends with someone else's means. Albert Jay Nock saw this thirty years ago: "It is easier to seize wealth than to produce it; and as long as the State makes the seizure of wealth a matter of legalized privilege, so long will the squabble for that privilege go on." For example, if you belong to a minority of individuals who enjoy hiking in a coastline wilderness, you will argue that unless society intervenes, future unborn generations will be deprived of their wilderness heritage (more precious, apparently, than individual freedom of choice); thus the wilderness preserves are financed by all of the taxpayers although only a small minority of the taxpayers currently benefit from such wilderness areas and surely only a small percentage of their descendants will. In addition, the wilderness buffs lobby to limit the number of the current generation of taxpayers who may visit the wilderness areas so as not to "spoil" them. And that effect is clearly a transfer of income from the taxpayers at large to a minority group that is

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The current tendency to identify law exclusively with legislation and written statutes, to the neglect of common law, custom, tacit rules and spontaneous adjustments among individuals, is leading to the destruction of individual liberty, according to Professor Leoni. He supports this thesis with a wealth of historical evidence based on a vast and comprehensive knowledge of the Greek, Roman, English, Continental and American legal systems.

In contrast to the legislative process, Leoni suggests that the best guarantee of freedom lies in the processes of common law. Law, he insists, is not something to be imposed upon unwilling minorities through legislation, but is rather an expression of a common will agreed to by all members of society which is *discovered* by judges and jurists.

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energetic enough to organize and lobby for their own special projects.

A former professor of mine once said that no one ever got rich paying someone else's bills. The special interest groups use the corollary and organize their campaigns so that someone else will finance their hobbies. Naturally their arguments are never expressed in terms of potential benefits to them; rather, it is typically alleged that everyone will benefit, that the project is in the general public interest—"be public spirited, don't be selfish." But every time someone urges me to be public spirited, it ends up costing me money to support their pet project!

I submit that California voters passed the Coastline Initiative because the proposition was presented to them on the ballot as a "free-lunch." I believe most voters interpreted the proposition as follows: Do you support the creation of free coastal recreation areas at no expense to you? The temptation to support such a measure is very strong. Even if you are thoughtful enough to realize that someone in the ranks of your fellow citizens will ultimately have to pay for this undertaking, the expropriation is impersonal. By and large, those who will pay will not be friends or acquaintances of yours. For example, a prominent Republican matron who regularly attended Coastal Commission meetings to lobby against a proposed condominium project explained that "private property rights are not an issue in this case; these developers are from out of town."

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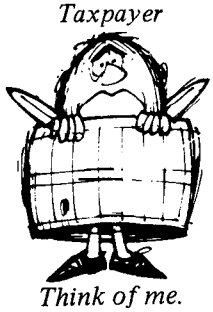

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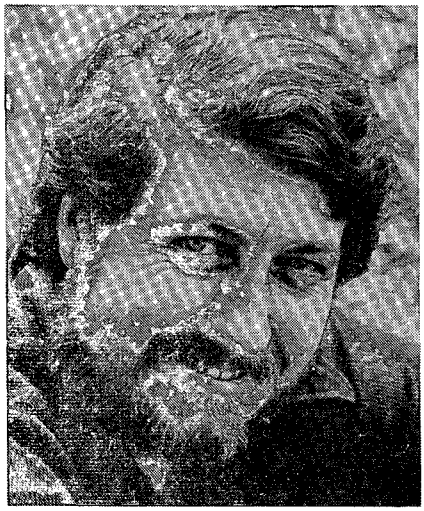
PROGNOSIS: MORE FREE LUNCHES

I predict any ballot proposition that offers free goods and services at the expense of a minority would pass. Earlier last year, state Senator Robert J. Lagomarsino, (representing Santa Barbara and Ventura counties), mailed a survey questionnaire to each of the registered voters in his district. Approximately 20,000 responded. One question in that survey is germane: "Governor Reagan has proposed returning to the taxpayers the $850,000,000 state surplus which will become available this year. How do you feel the surplus should be handled?" Some 41.2 percent of the respondents favored returning the surplus by a rebate on state income taxes. 22.3 percent favored using the surplus to delay a state sales tax increase. 8.4 percent wanted to use the surplus to refund outstanding state bonds. 11.3 percent favored using the surplus for a one-time capital outlay on beaches, parks or other acquisitions. 10.2 percent favored combinations of the above proposals. Other suggestions garnered 6.6 percent.

To this extent this sample of the voters faithfully represents the opinions of the population of voters, it is clear that the vast majority of taxpayers would rather have their taxes refunded to them than spent on the expansion of parks along the California coast. Thus, the voters favor more parks, if they are free (the Coastline Initiative passed by a 63 percent to 37 percent margin in Santa Barbara and by a bare majority in Ventura) while they oppose them if they have to pay for them (the poll indicates 63.5 percent want their money back and only 11.3 percent wish to spend it on parks).

The lesson seems clear enough: free lunch legislation promising benefits without costs will be accepted by the voters. Special interest groups have learned how to package their social reform measures in psychologically appealing bundles. The attraction of something for nothing apparently dominates any consideration for private property rights. And the California Coastal Initiative is but a harbinger of further control and expropriation. The U.S. Senate has passed legislation establishing a national land use policy that can only grow to a nation-wide system of federal control and expropriation. If you would like to know how this federal legislation will work in practice, come to California and watch us rip off the coastline. ◻

HARRY BROWNE'S DEPRESSION-INFLATION SURVIVAL COURSE



Harry Browne's two best-selling books, *How You Can Profit From The Coming Devaluation* (1970), and *You Can Profit From a Monetary Crisis* (1974) have shown hundreds of thousands of readers how to secure maximum protection of their assets in the dangerous, chaotic and unpredictable economic climate of the recent past.

In his 1970 book, the widely respected investment authority predicted with razor-sharp accuracy the timing and extent of subsequent devaluations of the dollar. Those who followed his common sense program for asset protection at that time have seen their assets double in value and in some cases double again. Unfortunately, a vast majority of the public was lulled by government assurances that all was well along the economic front and spent their time awaiting the great bull market that never materialized. They now wish they had acted on Harry Browne's advice.

Harry Browne now believes that this year—1974—may be your very *last chance* to protect your wealth—whether a few thousand dollars, or several million—from the economic collapse that most certainly looms just over the horizon.

Browne argues that a world-wide depression is not something that is *going* to happen; it is something that *has already started* (he dates the '70's depression from January, 1973). Moreover, chances are excellent that this depression will be accompanied by a severe runaway inflation which will destroy the value of the dollar and most world currencies.

That is the reality of the situation as Browne sees it, and the only remaining question is what *you* are going to do to protect yourself and those you love. Following every economic disaster in history, the few individuals who possessed the vision and courage to act decisively to preserve their wealth, have always emerged as the new rich. So it was that Joseph P. Kennedy, Bernard Baruch and other titans of great fortunes outguessed their contemporaries. While the 1929 depression was destroying many fortunes, and sending the "average man" to the bread lines, the few men with *vision*, and the *knowledge* of how to protect their assets, emerged as a wealthy new generation.

Browne's **Depression-Inflation Survival Course** is designed to give you that knowledge. The seven-hour cassette course was recorded in New York City in early 1974 [at a Rampart College seminar] as Browne spoke to a group of nearly 100 persons who had each paid $150 to hear him. The most common reaction—repeated to the sponsors of the conference again and again and again—was that the experience was the best $150 investment those attending had made in a long time! The tape course encompasses the essential ingredients of Browne's books and sets out the alternatives open to *you*, right now, to inflation-depression proof your life's savings. No special background or training in economics or investments is assumed; the course is presented in the same crisp, concise language that has made Browne world famous as an author and lecturer able to give crystal clarity to difficult economic concepts. The course can be used profitably by those who have read Browne's book and by those who haven't.

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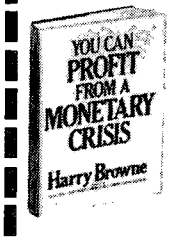

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Consider the power black-outs, fuel shortages, accelerated depreciation of the dollar, gold at the $150 per ounce level, and sky-rocketing food prices. Who expected this to happen with such magnitude so soon?

Consider also this: In view of deteriorating U. S. military, economic, and political conditions, it is likely that this country faces a catastrophic crisis in the near future. Nothing effective is being done to change the trend, and matters will get much worse before there is a reversal.

Therefore, as a measure of insurance, it is time to stock up on gold coins (if you have not already done so), plus a food supply which can be used in case of emergency, as well as for every day utilization, should nothing adverse occur. With passing time, acquisition of such a supply is becoming more costly.

Last year the U.S. had an overabundance of food. This year much of our food is in Russia, while some of our domestic prices (including prices of storable items such as wheat) are 3 times higher than previous to the give-away.

We have seen that farmers have killed newly hatched chickens, for the feed has become too expensive due to the "sale" to the Soviet Union. And the Secretary of Agriculture assured us that food rationing is unlikely. (Could anyone foresee the need for such "assurances" in 1972?)

During the last five years, we emphasized acquisition of gold coins as a security investment in our advertisements in the Wall Street Journal, Barron's, Human Events, American Opinion, Reason, and other publications. Those who bought these coins through us already realized great benefits. Now we are advocating acquisition of a ready reserve food supply also as a security investment. Reflection on the past and on what politicians have done and are doing to this country, show this to be necessary. (Thus, while in summer of 1973 it became known that our domestic granaries were almost depleted, a huge U. S. food sale to Red China, on extremely dubious terms, was announced. The food is to come from future crops, as there were practically no reserves left for use of the Red China transaction after shipment to the Soviet Union.)

Nearly all grocery stores now sell packaged and canned foods. However, these items are not designed for lengthy storage and quickly lose freshness and taste, as well as important vitamins. In addition, grocery store items take up considerable space and are heavy. Nor have the drying methods used for thousands of years for food storage proved satisfactory. Their appeal, even before becoming completely stale or spoiled, was always far from desirable. To correct this, the so-called "Low-Moisture" methods were developed about 23 years ago. Their value in providing fully adequate and attractive meals has since then been well proven. However, new developments in this field have improved these products even further. Low-moisture foods were used by the climbers of Mount Everest, and were taken along by our astronauts to the moon. Low-moisture foods are also completely practical and easy to prepare for normal, everyday household consumption. Yet, they last up to 15 years and longer without requiring refrigeration, while their reduction in weight and space of 75% (compared with grocery store items) makes it possible to keep a one or more year supply in a house or garage.

Our Salt Lake City processor has over 20 years of experience (it is the oldest in this field) in providing balanced, low-moisture foods which excel in nutrient, vitamin and mineral contents, as well as taste. The low-moisture methods used to achieve this require greater effort than the usual processes, but results—in terms of taste, nutrients, and longevity, as well as bulk and weight—are worth it. Moreover, cost to the consumer is surprisingly low. Fully adequate, appealing meals are provided at 51¢ each.

Expert design of the ready reserve food supply eliminates guess work as to what to store. This can be of utmost importance to health, especially if a food crisis persists longer than a few days. Fruits, vegetables, eggs, cheeses, grains, sugars, proteins, cooking aids, and a wide variety of other foods, certain to preclude monotony, are provided, together with a culinary book containing outstanding recipes, ideas, and suggestions for best utilization. You may use these foods in your everyday menu, while, at the same time, keeping enough in reserve against a food "black-out." (We can replenish your used up supplies as they are consumed.)

The desired results are achieved by: 1) dehydration of the food; 2) placing the dehydrated food in internally enamelled cans (of which 116 are the regular size #10 cans, each being slightly smaller than a gallon, while 8 are half-size #3 cans); 3) evacuating the air from the cans, replacing it with an oxygen free atmosphere and sealing the cans; 4) packing the cans in cartons of 7-3/8" by 12-3/4" by 18-3/4" dimensions. 20 such cartons weighing 600 pounds and occupying 2/3 of a cubic yard (you can fit them all in your car) provide a 12 month supply for 1 adult person at 2,450 calories per day. (The supply is so designed that either families or single or several adults may use it. While it may last 6 months for 2 adults, the proportional time decrease for a family with small children is less than for adults. Thus, for a family of 6 consisting of a father, mother, and 4 children aged 2 to 14 years, the supply will last longer than 2 months. This is because children consume less than adults.) Opening a sealed can will not cause spoilage for several months, thereby enabling full use of its ingredients.

The following is a list of the contents of the augmented yearly supply described here (except as indicated, all cans are #10 size):

FRUITS: After restitution with water, the same as 103 lbs. of fresh fruits, consisting of apples, peaches, and fruit galaxy of apricots, grapes and cherries, providing 521 of 3 ounce servings. 6 cans.

VEGETABLES: After restitution with water, the same as 268 lbs. of fresh vegetables, consisting of carrots, green beans, sweet corn, tomatoes, cabbage, potatoes and peas. This provides 500 of 4 ounce servings. 12 cans.

SUGAR: 36 lbs. of granulated sugar. This is more than sufficient for normal use of one year. 6 cans.

MILK: After adding water to the powdered milk, the yield is 230 quarts of non-fat milk. At normal consumption of ½ quart per day, this is sufficient for more than a year. 12 cans.

CONCENTRATED VEGETABLE PROTEINS: This category provides a meat substitute, equivalent to the protein content of 100 lbs. of lean, fresh

meat. Also 186 servings of bacon-flavored bits--excellent tasting. 12 cans.

GRAINS: Sufficient flour (or unground whole wheat, yielding the same amount) to provide 250 lbs. of rich, wholesome bread, or any other items the wheat may be used for. Also: 228 of 4 ounce servings of pinto beans; 84 of 4 ounce servings of quick cooking oats; 116 of 4 ounce servings of elbow macaroni; 96 of 4 ounce servings of yellow cornmeal; 279 of 4 ounce servings of rice. 42 cans.

EGGS: 384 eggs (32 dozen) in powdered form, providing more than one egg per day for a year. 4 cans.

CHEESE: 128 of one ounce servings of cheese. 1 can.

GELATIN DESSERT: 256 of 4 ounce servings of gelatin dessert. 2 cans.

BREAKFAST DRINK: 320 of 4 ounce servings of grape, grapefruit, orange, or pineapple drinks. 2 cans.

SHORTENING: 39 pounds. 12 cans.

MARGARINE: 10 pounds. 3 cans.

SUPPLEMENTS: Cornstarch sufficient to make 96 pounds of pies, or other uses; minced onions to provide 384 one ounce servings; beef bouillon for 218 servings of 6 fluid ounces each; chicken flavored and beef flavored gravy for 384 of 2 ounce servings; iodized salt sufficient for more than one year; adequate baking powder and yeast. 10 cans, of which 2 are #10 size (the same as all others listed above) while 8 are half-size #3 cans.

TOTAL: 116 #10 cans, 8 #3 cans; all packed in 20 cartons. (NOTE: none of the items listed here require special care or refrigeration for long term shelf life. However, yeast and baking powder will stay fresh longer if kept in cold storage.)

It can be seen that the READY RESERVE supply provides highly nutritious food, with a high protein, high mineral and vitamin content, sufficient for maintaining good health; and that the 2,450 calories per day, thus furnished for one year, are well balanced. While the food is easy to prepare and use, the book, CULINARY CAPERS, which comes with the supply, contains beneficial instructions and suggestions.

Cost of the yearly supply is **$560** plus shipping charges (varying between $30 and $80 depending on location). This is a bargain even if we never have a food "black-out." Thus, if nothing else, the ready reserve supply serves as a hedge against burgeoning prices. But, should a food crisis occur, the supply can be vital for sheer survival.

Also available: A 5 month READY RESERVE supply providing all necessary items for a 5 month period. This supply comes in 8 cases and weighs about 220 pounds. Cost is **$300** plus $20 to $50 shipping charges. The variety and quantity is smaller than for the yearly supply, but fully adequate nourishment is provided for a 5 month period.

A WATER PURIFIER, good for approximately 100 gallons, is included at no extra cost for the yearly as well as 5 month supplies. This is an exceptionally excellent item, removing contaminants (including radioactive particles) down to one micron (40 millionths of an inch) in size, thus providing pure, usable water, even from highly polluted sources.

Because of worsening inflation, we can expect further price increases. Therefore, we urge you not to delay even one day, as our politicians are not making things better for American consumers. If your order is received within 2 weeks after reading this notice, we will send free of charge as a bonus the two following important books: 1) PASSPORT TO SURVIVAL; 2) FAMOUS MORMON RECIPES.

Our emphasis here on food is not intended to downgrade the importance of gold coins. If we learn from history, we can expect the dollar to go the way of the German Mark in 1923. Much worse, monetary conditions are probably coming, and it is not too late to begin or enlarge a supply of gold coins. We offer: U.S. $20 gold coins; Mexican 50 Pesos; Mexican 20 Pesos; Mexican 10 Pesos; and British Sovereigns. Call for latest prices and quantity orders. Fully insured coin shipping charges paid by us.

All U. S. gold coins in uncirculated condition. All foreign gold coins in extra fine to uncirculated condition. Many other gold coins also available, plus uncirculated and circulated silver dollars and other silver coins.

IMPORTANT NOTICE:

Many persons wishing to have food insurance for themselves and/or families and short of cash, have asked us if the food can be obtained on a time payment basis. Nevada Coin Exchange is normally not receptive to sell on a basis which places customers more in debt. But, food is more vital for survival than any other purchasable item. Therefore, we made arrangements with Master Charge and BankAmericard to enable time payments (or cash pay-outs) with them for food. If you wish to use this service, please fill in your Master Charge or BankAmericard number as indicated on the order form.

FULL GUARANTEE:

If unsatisfied, you may return coins and/or food ordered to Nevada Coin Exchange within ten days for a complete refund of your purchase, plus a complete refund of any shipping charges.

ORDER FORM

PLEASE SEND:

1. A _____ year(s) supply of READY RESERVE FOOD at **$560** per one year supply, or a 5 month supply of READY RESERVE FOOD for **$300** together with the book, CULINARY CAPERS and water purifier. If I ordered within 2 weeks from reading this notice, you are also to send me free of charge the books PASSPORT TO SURVIVAL, and FAMOUS MORMON RECIPES. I may obtain at request free information on hand or power grinders, water purifiers, breadmixers, survival and/or recipe books, and other supplies.

2. Gold coins (indicate type and quantity desired):
   CALL FOR LATEST PRICES.
   _____ pieces of U. S. $20 gold coins, containing .9675 net Troy Ounce gold per coin.
   _____ pieces of Mexican 50 gold Pesos, containing 1.2056 Troy Ounce gold per coin.
   _____ pieces of Mexican 20 gold Pesos, containing .4823 net Troy Ounce gold per coin.
   _____ pieces of Mexican 10 gold Pesos, containing .24115 net Troy Ounce gold per coin.
   _____ pieces of British gold Sovereigns, containing .2354 net Troy Ounce gold per coin.

(Long distance phone charges reimbursed by us if order above $100 is placed.)

TOTAL FOR ORDERED FOOD AND/OR COINS $ _____

If unsatisfied, I may return coins and/or food ordered to Nevada Coin Exchange within 10 days for a complete refund of purchase, plus a complete refund of any shipping charges.

NAME _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____ TELEPHONE _____

☐ Master Charge Number
☐ BankAmericard Number _____
(Enter only if you wish to use credit card)

Check, money order, or other convenient form of payment for food and/or coins acceptable. You may also use Master Charge or BankAmericard for food. Send order to:

NEVADA COIN EXCHANGE (a subsidiary of Carson Development Corporation)
P. O. Box 485, 1104 West Sunset
Carson City, Nevada 89701
Telephone: Area Code 702, 882-2483

All food and coin prices subject to change without notice.

BANK REFERENCES AT REQUEST

NOTE: Coin orders shipped via fully insured mail (paid by us) from Carson City, Nevada. Food orders shipped from Utah via truck. Food shipping charges (varying from $20 to $80 depending on supply ordered and distance) payable by purchaser on receipt of order. We guarantee to pay the difference if food shipping charges exceed $80 for the yearly supply, or $50 for the 5 month supply within the 48 contiguous U. S. states. Shipping charges to the more populated parts of Alaska and Hawaii (i.e. Anchorage, Juneau, Honolulu, Hilo, etc.) are approximately 35% higher.

THE LIBERTARIAN CASE AGAINST "PUBLIC" FINANCING OF ELECTIONS

The Watergate scandal has spawned numerous proposals for limitations on private campaign contributions and total campaign spending, as well as plans to finance campaigns out of tax revenues. All of these proposals would deny fundamental rights of individuals, increase the politicians' control of elections and do nothing to eliminate the root causes of Watergate.

One of the basic rights of free people is freedom from governmental restrictions on speech. No matter how foolish, dull, or evil you may think a speech or campaign pamphlet is, as long as it is not libelous or fraudulent, the person who pays for it has the right to use his resources, to whatever extent he chooses, to support any cause or candidate. Freedom of speech means nothing if it does not include the right to say things others disagree with.

It is especially crucial that the government be prevented from restricting what one may say about the government itself. The advocates of contribution and spending limitations say they will make elections more "fair," but no system can be fair if it restricts the ways in which a person can peacefully spend his own money and what he can say about political issues.

The effect of the proposed regulations (and some already passed) is substantially to favor incumbents, that is, those politicians already in power (many of whom spent more to get themselves elected than they will allow challengers to spend under the new laws). Incumbents receive constant free publicity. Their activities and pronouncements are "news" and they frequently give speeches at public events and private organizations. Congressmen and senators can send mail to their constituents without paying postage. Incumbents have myriad committees, departments, agencies, and bureaus at their disposal continually to issue press releases to inform the public about their "achievements." It is the challenger, the independent, the critic--be it of taxes, bureaucracy, war, inflation, strangulation of business, or oppression of minorities—who will not be heard. Bureaucracy and corruption will not be stopped.

Taxation-financing of campaigns is another can of worms. If you want to contribute some of your money to a candidate or cause you believe in, you should be free to do so. If your contribution goes through a new federal bureaucracy, a big bite of it will be taken out to pay the bureaucrats' salaries and expenses, so it makes no sense to contribute that way. A person who favors taxation-financing of campaigns wants to force others to pay for the causes he believes in. Taxation-financing of anything means forcing taxpayers to give up money they have earned to pay for something they may not want and may even strongly oppose. It is unjust, for example, to force a McGovern supporter to contribute to a Nixon campaign, and it is unjust to force a Nixon supporter to contribute to a McGovern campaign. Almost half the qualified voters didn't vote at all in 1972. If they didn't even think it was worth the effort to vote, where is the justice in forcing them to pay for what they may well have considered worthless political rhetoric? (The myth that voting is a citizen's duty should be carefully examined. No person who respects himself and values his freedom has a duty to choose between rulers.) Why should a person who recognizes the inherent corruption of government and wants to be left alone to live and work in peace be forced to pay for the campaigns of politicians who are eager to regulate every aspect of his life and rob him of a still higher percentage of his earnings?

Taxation-financing of campaigns gives the government, that is, those in power, the authority to set qualifications for the receipt of funds. Hence, they will have the power to decide who can run for office. They will of course set up some rules and call them "fair," but there is no fair way for a bureaucrat or politician to decide which candidate may run and which may not. The Kennedy-Scott campaign financing bill would have given millions of taxpayers' dollars to the Democratic and Republican parties and not a penny to any small parties. Although many exist, you rarely see small parties on the ballot because the laws setting the requirements were written by politicians of the two major parties. Small parties provide an outlet for new ideas and criticism of entrenched politicians. They would be destroyed by giving the government control of campaign financing.

Thus, spending and contribution limitations and government financing will inevitably lead to total government control of elections and an end of free speech in political matters. It is ironic that these measures are prompted by evidence that politicians can not be trusted.

But what about Watergate, the milk deal, the Vesco case and countless earlier cases where large sums of money were paid for government favors? Such scandals won't be eliminated until their causes are understood. People and corporations do not spend thousands of dollars unless there is something to buy. Politicians have power for sale.

As long as the government has the power to set import quotas and tariffs, to hand out subsidies, loans, grants, and contracts, or regulate the price of every product it had no hand in producing, to decide who can and who can't practice almost any profession or trade, to impose countless regulations on businesses and so on and so on, ad infinitum, some corporations and individuals will pay for the favorable use of that power and others will pay merely for protection from it. Politicians have become modern "protection" racketeers; instead of threatening a fire in your store, they threaten a fine, an IRS audit, or an antitrust suit.

So long as the government has such immense power, there will be buyers, even if the price is paid by devious methods to get around new laws regulating campaign spending.

SARA BAASE

Guest editorialist Sara Baase is chairman of the San Diego chapter of Libertarian Alternative.

IMAGE OF A CAT

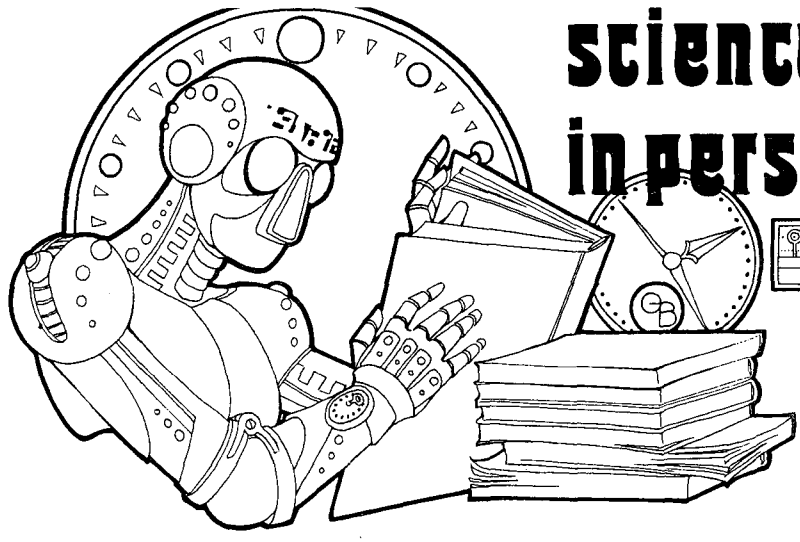
Bristling and electric,
Its boneless form umbrellas.

Soft'ning round a corner
like an eel accommodates a rock.

Curled like a doughnut on the terrace
baking in the sun.

Noiseless as an infant's breath,
slipping in and out of existence.

Wendy McElroy



science fiction in perspective

JOHN J PIERCE

John Pierce's Science Fiction column alternates monthly in REASON *with Davis Keeler's Money column.*

WOMEN IN SF

Science fiction is often accused of being behind the times in its attitudes—particularly towards women. And those looking hard enough can find "evidence" to support their case. But the searchers tend to be people with an axe to grind, and the tendency is for them to deliberately overlook anything that doesn't support their pre-conceived ideas about the "prejudices" of popular fiction.

The important thing to bear in mind is that SF has traditionally been a form of "serious" fiction not taken seriously—and therefore forced to seek "popular" outlets, where creative writers and worthless hacks have often found themselves side-by-side. Especially during the period between 1911 and the ascendancy of John W. Campbell Jr. at *ASTOUNDING* in 1938, most SF was published in "pulp" magazines edited by men who usually had little understanding of good standards either for literature in general or SF in particular.

Nevertheless, there were writers who took SF seriously enough to *think* about what they were writing—appearing in the same magazines as the hacks who wrote abysmal SF according to the same formulas that they wrote abysmal westerns, abysmal adventure stories and abysmal romances.

ABSENT WOMEN

Science fiction's attitude towards women has been a mixed one—but stereotyped roles for women have actually been less common than in mainstream fiction, because women rarely appeared in a lot of traditional SF! This phenomenon apparently derived from the unconscious assumption that since women didn't go in for science and engineering much, they wouldn't be interested in SF and wouldn't need any characters to identify with.

Until the 1930's, women appeared primarily in the scientific romance mode of SF popularized by Edgar Rice Burroughs —as beautiful princesses to be rescued from villains. Yet the princesses of the scientific romances, while hardly candidates for the National Organization for Women, weren't necessarily shrinking violets either. Often they showed considerable bravery and resourcefulness. In a typical, if minor, case—Charles R. Tanner's "Tumithak in Shawn" (1933)—the heroine is an expert swordswoman, and the only person in her underground refuge of humans courageous enough to go out and fight the Venusian Shelks who have conquered the surface of Earth long before.

There were, however, SF writers who took women's liberation seriously. In George Allan England's "June 6, 2016" (1916), women have become the aggressors in sex—and the men don't mind it a bit. Others took it seriously—but in a negative way. In a typical example, David H. Keller's "The Feminine Metamorphosis" (1929), Taine of the Secret Service thwarts the plans of a group of women who have altered themselves with hormones to masquerade as men and take over the world in revenge against the Male Establishment.

Stanley G. Weinbaum, who had already revolutionized the image of aliens in science fiction, also revolutionized the image of women. Beginning with "The Parasite Planet" (1935), he introduced Hamilton Hammond and Patricia Burlingame, an engineer and biologist who explore worlds, share adventures in which they show equal intelligence and resourcefulness, and make the partnership mode of romance seem a lot more fun that the Victorian one of old. Burlingame and other Weinbaum heroines anticipated television's Emma Peel of 30 years later—and Weinbaum's attitude towards sexual relationships has much in common with that of the fiction in women's magazines of the 1930's, toward which Betty Friedan looked back nostalgically in *THE FEMININE MYSTIQUE.*

Science fiction of the thirties was aimed mostly at a male audience and viewpoint, and even the chauvinists couldn't complain for lack of glamorous beauties in Weinbaum's "The Red Peri" (1935) with its tempestuous woman space pirate; or "Dawn of Flame" (1936), with the world-conquering Black Margot—who remains one of the most bed-worthy heroines in the annals of SF. But Weinbaum's heroines were always intelligent and self-assertive—and they conveyed the idea that intelligent, aggressive women are more desirable, even from the male point of view, than the submissive Victorian type.

Weinbaum's early death of cancer in 1935—a number of his stories were published posthumously, including "The Revolution of 1950" (1938), in which the president turns out to be really the president's sister who has injected herself with huge amounts of testosterone (a daring idea for the time)—cut short his influence, although practically every major writer was trying to imitate him in the late 1930's.

JAMES H. SCHMITZ

The most direct inheritor of the Weinbaum tradition is James H. Schmitz—who claims he can't remember even having read Weinbaum in his formative years, but whose attitudes toward both aliens and women are so Weinbaumian, it's hard to believe there wasn't at least an indirect

influence somewhere. Schmitz' alien creatures and ecologies in such stories as "Grandpa" (1955) and "Balanced Ecology" (1965) are as imaginative as anything Weinbaum ever did, but he has achieved a sudden reputation among SF women's liberationists in recent years for his characterization of women—something he has taken for granted since he started writing in the 1940's, when there was no social pressure against male chauvinism. One Janet Kagan even made it a subject for an appreciative essay—"The Natural Heroine of James H. Schmitz," in a bibliography of his works published by Mirage Press.

Beginning with "Agent of Vega" (1949), most of Schmitz' heroic protagonists have been women—although, in the series that began with that story, they haven't always been human! Schmitz not only avoids stereotyped roles for women, but even avoids giving names that identify sex to his characters—it's hard to tell Gefty Rammer and Ticos Cay (both men) from Trigger Argee and Nile Etland (both women), and as far as their roles are concerned, it doesn't matter much. In *THE DEMON BREED* (1968), it is Nile Etland who single-handedly foils the invasion of a planet—by showing greater intelligence and adaptability than the alien invaders. And in *A TALE OF TWO CLOCKS* (1962) it is Trigger Argee who plays the key role in solving the secret of the Old Galactics—a species that lives at a far slower subjective time rate than humans. Schmitz' women are more than able to take care of themselves and tackle the same kinds of problems men traditionally do.

Telzey Amberdon, the 15-year-old telepath who made her first appearance in "Novice" (1962) has become a favorite with readers—she has been featured in a novel, *THE LION GAME* (1971) and a collection of stories, *THE TELZEY TOY* (1974) that pit her against assorted alien or evil forces. Some of her adventures are among the best "psi" stories ever done in SF—though, as in too many series, the theme seems to have gotten out of control and lost credibility lately.

John Wyndham, the British SF author best-known for *THE MIDWICH CUCKOOS* (1957, filmed as *Village of the Damned* in 1960), took an interest in the status of women in several of his works. In *TROUBLE WITH LICHEN* (1960), the fate of a drug that retards aging turns on the issue of women's liberation—with a woman scientist who discovered the drug and believes she has been robbed of due recognition playing the key role. And in "Consider Her Ways" (1956), a woman finds herself mysteriously transplanted into the body of a brood-mother in a parthenogenetic female society of the future—and is unable to answer the arguments of the future women that their society is an improvement over that in which men (who were accidentally wiped out by a male-specific plague) exploited women with false ideas of "romance."

Joanna Russ is one of the contemporary SF writers who have consciously treated sexual liberation themes in SF—from the homosexual protagonist of *AND CHAOS DIED* (1970) to the all-female society of castaways in "When It Changed" (1972).

Although a lot of the "sexual liberation" movement of the 1960's in SF actually took a reactionary direction—towards mindless pornography and "stud fiction" —it has also resulted in imaginative stories that challenge traditional preconceptions. In Thomas N. Scortia's "Woman's Rib" (1972), a plain-looking woman scientist clones a handsome stud to be her lover, in a reversal of the sort of fantasy that would usually be aimed at male chauvinists.

WOMEN WRITERS

Since the 1930's, science fiction has welcomed women writers too, and they usually testify to finding fewer professional barriers than in any other field. Catherine Moore, who made her reputation in the 1930's *WEIRD TALES* with historical fantasy series about the swashbuckling heroine Jirel of Joiry, and an SF series featuring the interplanetary adventurer Northwest Smith, later created such classics as *JUDGMENT NIGHT* (1943), an antiwar novel published in the midst of World War II; and "No Woman Born" (1944), the tragic story of a dancer who must adjust to a metal body after she is nearly burned to death in an accident. Moore later collaborated as an equal partner with her husband Henry Kuttner under a variety of pseudonyms.

Leigh Brackett, best-known for her fantastic romances of a Mars that never was, became another top-rank woman writer in the late 1940's and 1950's, as did Zenna Henderson and Miriam Allen DeFord.

Ursula K. LeGuin became one of the top-ranking SF writers of all time in the late 1960's, winning her first Hugo for *THE LEFT HAND OF DARKNESS* (1969), a landmark novel set on a planet where humans are androgynous and psychological conflict involving the male envoy of the interstellar Ekumen centers on this fact. LeGuin was accepted by SF readers without regard to her sex—while *PLAYBOY* insisted on calling her "U.K. LeGuin" to conceal her sex when it ran "Nine Lives," a story on the psychological consequences of cloning, in 1969! Other women writers of note who have emerged in recent years include Anne McCaffrey, Suzette Haden Elgin and Doris Piserchia.

It's not the millenium yet. Some of the older writers—even major talents like Robert A. Heinlein and Poul Anderson—don't seem to have quite gotten the message. They're perfectly capable of portraying women in equal roles, and have—but when they don't watch themselves, they can become condescending.

And it's easy to find sexual Neanderthals like John Norman, whose Me-Tarzan, You-Jane philosophy in the *GOR* novels (1966-74) turns off even some male readers. Entertaining as they are, other SF adventure novels like Andrew J. Offut's *MESSENGER OF ZHUVASTOU* (1973) leave one wondering if their authors oink in their sleep.

But SF readers have shown they're ready to accept women heroines and women writers, and both asexual SF without women protagonists and the dwindling amount of male chauvinist SF seem destined to fade away. ◻

PARADOX

She breathes, a moth in the darkness, beyond
the segregated flowers, roses
on the trellis, lilac by the door. Her skin is rich
with a woman waking to the damp, thick
smell of earth and rain — a man's
low pulse beside her. Wind comes down
the pathway. Elm trees. Crevice. Its language
shifts green to stone and syllables under
the door. Who will kiss the veins of her neck?
The cold, frail veins of her shoulder?
If only she could rise and listen —
the syllables might answer.
But that would surely wake him.

Wendy McElroy

CHARMED CIRCLE: GERTRUDE STEIN AND COMPANY. By James R. Mellow. New York: Praeger Publishers. 1974. 528 pp. Photo illustrated. $12.95.

Reviewed by JEFF RIGGENBACH

She is a short Jewish woman, somewhat inclined to stoutness, an Aquarian born in early February, an exile from her native country since her twenties—but never mind her origins or her present address, she feels her true allegiance has always been to America. She is a writer—of fiction, plays, history, philosophy, polemics—whose work is ignored for years before it finally reaches the wide audience her partisans say it has always deserved. She is an intellectual who is widely denounced as a crackpot. She is, as friend and mentor to a dozen younger intellectuals in a dozen diverse fields, the leader of a new and radical movement. But, however permanent her ideas, her friendships are short—ending bitterly in a series of seemingly arbitrary personal and ideological excommunications. In her later years, she is a best-selling author and a guaranteed sell-out in her few public lectures. She is temperamental and stimulating, perverse and brilliant. Her name is Gertrude Stein.

This year is the centennial of the enigmatic Ms. Stein's birth, and one of the most satisfying of the observances is James R. Mellow's biography *CHARMED CIRCLE.* The circle of the title is the coterie of artists and thinkers who surrounded Ms. Stein during her years in Paris, and Mellow's book is as much a biography of Stein's "circle" as it is of Stein herself. And this is fitting. For Gertrude Stein's main importance in literary history is her influence—and those of her ideas which made her influential. Regrettably, Mellow does not consider these ideas critically or in detail; the reader who desires a good general understanding of Ms. Stein's theories will need to supplement *CHARMED CIRCLE,* and he could do little better than to supplement it with William H. Gass's "Gertrude Stein: Her Escape from Protective Language," an essay on which much of the following discussion is based.[1]

Ms. Stein's central idea—which she tirelessly proselytised in her lectures and demonstrated in her own writings—is that in *artistic* writing, writing which aims to present a perspective on the world rather than discourse on some aspect of the world, writing which is *literature,* words should not be used merely as counters for concepts. Instead, she argued, they should be exploited for their own sensuous characteristics, their looks and their sounds. A novel is not a biography, she insisted; a poem is not a philosophical article; a short story is not a scientific report. In historical, philosophical and scientific writing, it is proper to use words transparently, apprehending only the concepts they stand for and ignoring the audio-visual characteristics of the words themselves. But in artistic writing, sentences must be composed with careful attention to the look and sound of the words that make them up. Indeed, it is these sensuous characteristics of the words themselves that is of primary importance in artistic writing; the concepts the words represent are of purely secondary importance, or of none at all. In a way, the whole of Stein's theory of literature is contained in her response to Ernest Hemingway, when Hemingway objected to some of Sherwood Anderson's work, calling it tasteless. "Taste," Stein informed him, "has nothing to do with sentences."

A ROSE IS A ROSE

Predictably, this notion of literature as sensuously pleasant sentences produced some rather strange writing. The much-quoted line "Pigeons on the grass alas," from her opera *FOUR SAINTS IN THREE ACTS,* is an example. Another is provided in her book *HOW TO WRITE:* "Way-laid made it known as quince cake. This is a perfect sentence because it refers to regretting." Yes, this is serious. No, it is not nonsense. If sequences of sounds *can* be meaningful (and what else is music?), then, in principle, the sounds of words could be so arranged as to be meaningful to the reader, irrespective of the individual conceptual meanings of the words involved; if sequences of lines and spaces can be meaningful and thus pleasurable (as in the decorative arts),[2] then, in principle, the lines and spaces which go to make up the letters of the alphabet could be so arranged as to be meaningful and pleasurable, irrespective of the alphabetical significance of the letters involved. I don't agree that such works, ones in which the look and sound of words were all that counted, would be easy to compose, or that there would be many such works, or that they would be worth anyone's attention once they were completed; I argue only that there is a level on which Stein's ideas make sense.

Why then is most of her own writing nearly unintelligible and, when it is intelligible, enervatingly dull for most readers? The answer, I think, is that when an artist puts sensuous concretes together into a work, it is part of his job to include only those concretes, only those sensory units, which are relevant to some central, unifying theme; it is part of his job to guard against either excluding elements which the appreciator needs to apprehend the work as a coherent whole or including elements which have nothing to do with the theme that renders the work a coherent whole. Letters and words and sentences have a look to them, true; they also have sounds. *But they also have conventionally assigned conceptual meanings.* And if the words which make up a work of literary art are arranged without regard for those meanings then there will be elements, namely those meanings, *in* the work which have nothing to do *with* the work. And the result will be unintelligibility. It may be that the sentence "Way-laid made it known as quince cake" refers to regretting in the way it combines sounds and lines (though I admit to being unable to see how), but the sentence refers to nothing of the sort in the assigned conceptual meanings of its component words—in fact, it seems to refer to nothing whatever. The Stein method might work in a poem or story which used nonsense words, words which had never been assigned conceptual meanings (Lewis Carroll's "Jabberwocky" seems an obvious case in point). But in Stein's own works, the words used already have conceptual meanings and they are used without regard for those meanings, with the result that Stein's writing lacks coherence and, as art, simply doesn't work.

Still, and this is a point Mellow's biography helps to underscore, the Stein theory is important because it served to call the attention of other writers to the sensuous characteristics of the words they made their works out of. And these writers were able to do what Stein herself was unable to do—see that the look and sound of sentences had to be relevant to the work's main theme in the same way and for the same reasons as the meanings of the individual words and syntactical structures. They saw that Stein was right in thinking artistic writing was better when its look and sound was attended to; but they saw that she was wrong in believing literature was just sentences—they saw that it had to be at least *meaningful* sentences, sentences in which look, sound and assigned conceptual import all played a part. Gertrude Stein's importance as a theorist is thus akin to the importance of, say, an ethical theorist whose application of her ideas to politics is riddled with errors, but whose ideas on value can be combined with more careful work in social theory to produce a stronger political philosophy than had ever existed before.

far or critically into all these ideas; what it does is to make vividly real the mind and personal history of the woman who had them. Her early brilliant academic career, which focussed on psychology and medicine and brought her to the impressed attention of William James; her early feminism which later gave way to her recognition that she must seek her own ends, not those of women in general; her many intellectual and artistic friendbook in generous detail. Indeed, if *CHARMED CIRCLE* may be said to have any major flaw it is the author's occasional habit of presenting more detail than anyone could reasonably want (as when he tells us how many servants Stein had at her country home in one short season). Altogether, though, it is a beautifully achieved work of biography, one which superably captures its eccentric subject. ◻

[1] William H. Gass, *FICTION AND THE FIGURES OF LIFE*, (Knopf 1971), pp. 79-96.
[2] See, in this connection, Susanne K. Langer, *FEELING AND FORM*, (Scribners 1953), pp. 59-68.

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foreign correspondent

THE PENITENTES

Manila. Holy Week in the Catholic Philippines brings on one of the most bizarre performances by its citizens that, perhaps, helps to explain the political situation as well. In many of the barrios (small villages) *penitentes,* or men who wish to atone for past sins, torture themselves in a manner hard to believe. On Good Friday the *penitentes* rise early, dress themselves in purple robes and a black hood to hide their identity, and then drag a large wooden cross for many miles. Others will don the black hood, bare their backs and have helpers beat them with sticks in which pieces of glass have been imbedded. They then march through the streets beating themselves on the back and after three hours or more fling themselves prostrate in front of their favorite church or shrine. By this time, many of them are a bloody mess. But they rise again—pure—ready for another year of come what may. Even though it's not pleasant to watch, the roads are clogged with tourists from Manila and elsewhere coming to watch this spectacle.

Politically the country is made up of *penitentes.* They have endorsed a dictatorship (if the vote of the barangays is a valid endorsement) which has brought them a rush of rising prices. For example, rice is selling for almost two pesos a kilo, more than double its price two years ago. They have "peace" in Manila, but war in Jolo, a large city in the southern islands inhabited by Muslims. Jolo was virtually destroyed by Marcos' troops in order "to save it." Does it sound familiar? Of course, the destruction was blamed on the Muslim rebels, which does not help the people whose businesses have been destroyed.

In addition, U.S. Agriculture Secretary Butz is here telling the Philippines politely that this former U.S. colony will no longer get trade concessions from the United States. "Trade is a multinational process, not a bilateral process," he told a gathering of the Sugar Club here in Manila. This remark was aimed at the negotiations for the Laurel-Langley Agreement which has governed U.S.-Philippine trade for 20 years and expires on July 3.

The U.S. wants to replace this preferential treatment of Philippine trade with a standard treaty of commerce based on the same kind of trade the U.S. gives to other countries. This would virtually eliminate the sugar industries' largest import market since the U.S. gives the Philippines the largest share of its sugar quota market. This trade amounts to about $250 million to $300 million annually for the Philippines. Ambassador Sullivan (the only U.S. ambassador to have a war named after him) supported this new position of the U.S. in an earlier speech to a business audience.

Ambassador Sullivan also pulled a welcome switch in U.S. defense assistance policy when he announced the U.S. would still provide that doctrine of President Nixon, a nuclear umbrella, but that ". . . the ground force involved must come from the allies themselves." In a speech at the base of the 23-story cross on Mt. Samat, built by Marcos to commemorate the memory of the Bataan Death March, he said, "We tell our allies and friends in this part of the world that we will honor our past commitments but we stress mutuality." By helicopter it is only a few minutes to the U.S. Navy base at Subic Bay or north to Clark Air Force Base, both housing more than 16,000 U.S. troops.

Although Marcos has denied it, speculation has it that he will use these bases as a lever to force more favorable terms on the Laurel-Langley Agreement renewal. Marcos claims the Russians have ships berthing in Singapore, but the U.S. has berthing there, too. It would also be unlikely that he would offend the large sector of Philippine economy that is controlled by Americans, the largest foreign owner of Philippine industry.

On the other hand, during the oil crisis (whatever happened to it?), he supported the Arab nations openly, received oil supplies, and is now negotiating a "soft loan" from the Arab oil producers to benefit developing countries. All this is fine for about 7 to 10 percent of the population. The rest of the involuntary *penitentes*—the poor—find they are no longer able to buy enough food to live on, nor get to work on the thousands of buses and "jeepneys," since gas prices have forced up rates. Leaving the sugar producers of the Philippines to compete on the world market by the elimination of the U.S. sugar quota could virtually destroy the already staggering sugar industry. This will produce even more unemployment. Marcos' disasterous land reform project led many poor tenant farmers to believe the land they were living on and working was legally theirs, and left the real land owners unable to evict their tenants through court procedures.

There are many of us who fear that an uprising against Marcos would force U.S. military intervention to protect not only the U.S. bases, but business interests as well. It would be a difficult military action to sell to the American public, still saturated with U.S. efforts for "self determination" in Vietnam. But the history of the Philippines has been one of *penitentes* under first the Spanish and then the Americans. Americans never really *have* exhibited much feeling for the common Filipino. Not even when his back is bleeding.

LARRY NELSON

trends

of individual liberty and the rediscovery of economic freedom. Readers are invited to submit material of potential interest.

NEW LIGHT ON THE IRS

The recent disclosure of a government plan to use "confidential" income tax data for planning purposes underlines the importance of hearings held in April to investigate the Internal Revenue Service. Under terms of Executive Order 11697 (later replaced by EO 11709), the Agriculture Department has been authorized to inspect the complete income tax returns of all three million American farmers. The Justice Department has confirmed that the Agriculture Department's authority was designed to be the first in a series; successors would allow other federal agencies to extract personal financial information, for planning and analysis, from the income tax returns of other groups of individuals.

This new invasion of privacy was discovered and disclosed last fall by Rep. William Moorhead of Pennsylvania. This spring another legislator, Sen. Joseph Montoya of Montana, conducted a series of hearings dealing with IRS abuses. Among those testifying were individual taxpayers, tax experts, ex-agents, and the head of the IRS employees' union. The latter, Vincent L. Connery, president of the National Treasury Employees Union, provided details on IRS performance quotas for agents. Connery said that revenue officers were often forced by management to initiate levy or seizure proceedings against a taxpayer, rather than permit him to enter an installment payment plan, because of the paperwork and red tape involved in part-payment plans. Connery added, "Revenue officers are oftentimes rewarded for seizing a taxpayer's assets and severely disciplined if they permit him to remain in business or repay his debt." Announced IRS reforms are "no more than cosmetic," according to Connery.

Columnist Jack Anderson, quoting from Montoya's evidence, pointed out that audit quotas are set from the top down, beginning with a national quota ($3.4 billion for 1972), with sub-quotas for individual regions, states, cities, district directors, and individual agents. Although the quotas are merely "recommended," district directors who fail to meet them "can expect quiet pressure from Washington." Anderson also cited the poor quality of advice given out by IRS tax counselors, pointing out that opposite answers have been given to identical questions by different counselors.

The Church of Scientology has also joined the ranks of those exposing IRS abuses. Based on documents recently released under the Freedom of Information Act, the Church points out the "gross inconsistencies" in the agency's use of levies and seizures. Residents of New York, Maryland, and Missouri are three to four times as likely to have their bank account attached or their property seized in a case of a delinquent account than taxpayers in Wyoming, Kansas, Iowa, Maine, or North Dakota. Even within New York, wide discrepancies exist: in the Albany district over 60 percent of such cases end in seizures, compared with under 30 percent in the Buffalo district. Rev. Kenneth Whitman, who released the figures, charged that seizures of taxpayer properties are often conducted "on the whim of some tax collector" who may become favorably looked upon by his superior for being a "seizure man," as confirmed by the Montoya hearings.

Neither those hearings nor the other recent IRS publicity seems likely to change the tax laws or the agency's operating procedures. But their most important effect will probably be to further raise the consciousness of the American taxpayer, and promote the rapid growth of tax resistance.

SOURCES:

- "Tax Records: First the Farmers; Then?" *DATAMATION*, Dec. 1973, p. 105.
- "Taxpayer Seen Victim of IRS Quota System," AP (Washington), April 10, 1974.
- "Internal Revenue Horrors," Jack Anderson Column, April 7, 1974.
- "IRS Charged with Abusive Use of Seizure Powers," news release, *FREEDOM* (published by the Church of Scientology).

DECEPTIVE ADVERTISING?

The Federal Trade Commission likes to advertise itself as the champion of consumers, protecting them from unscrupulous businesspeople. Indeed, one of the FTC's assigned functions is protecting consumers against fraudulent advertising. Yet upon analysis, the agency's performance in this regard is highly questionable. Professor Richard Posner of the University of Chicago Law School recently completed a study of the FTC's deceptive practices decisions. He analyzed in detail the Commission's entire roster of decisions for three recent years, categorizing them into four groups: cases not involving serious deception, cases in which adequate private remedies exist, cases of criminal fraud, and all others.

The first category involves areas where the government takes an over-protective Big-Brother stance, regardless of the triviality of the circumstances: cases involving legitimate differences of opinion regarding product performance, nondisclosure of foreign origin of such products as watch bands and badminton set components, "misleading" product names, the use of "list prices" that are almost always discounted, lack of substantiation of product claims, etc. Cases of this kind constituted from 20 to 50 percent of the total caseload.

The second category concerns cases of falsely using trademarks of wool, fur, textile, and other products, and fraudulent sales to businesses. In both types of cases, private remedies are available and acceptable. Trade associations can and do police trademarks and quality standards, and business sales are covered by contracts enforceable in the courts or by arbitration. Depending on the year, this type of case comprised 30 to 70 percent of the total.

Actual cases of hard-core criminal fraud ranged from 7 to 16 percent of the total, yet ironically, these cases are inappropriate for the FTC because it cannot take really effective action. It can only issue fines and orders to cease and desist, thereby allowing the sellers to keep their ill-gotten profits and move on to a new type of fraud. Such cases would be better left to the criminal law.

After eliminating the above three categories as inappropriate for the FTC, Posner is left with a small residue of cases—between 3 and 11 percent—which constitute fairly clearcut misrepresentation, cases he feels are appropriate to an *administrative* agency like the FTC (e.g., a watch falsely labeled as shockproof, a tape whose length is misrepresented, etc.). The actual number of such cases appears to be 10 to 20 per year. Yet the FTC spends several million dollars each year on "fraudulent and unfair marketing practices," in the above four categories, and forces business to spend millions more in litigation and compliance.

But the costs of the FTC do not stop there. Posner adds, "Besides wasting money on red herrings, [the FTC] inflicted additional social costs of unknown magnitude by impeding the free marketing of cheap substitute products, including foreign products of all kinds, fiber substi-

tutes for animal furs, costume jewelry, and inexpensive scents; by proscribing truthful designations; by harassing discount sellers; by obstructing a fair market test for products of debatable efficacy; and by imposing on sellers the costs of furnishing additional information and on buyers the costs of absorbing that information."

In the face of all this, would *caveat emptor* really be so bad?

SOURCE:
- "Regulation of Advertising by the FTC," Richard A. Posner, American Enterprise Institute for Public Policy Research, Nov. 1973.

A PENNY SAVED . . .

Hoarding of pennies has surged in recent weeks, in response to announced government plans to bring out a new aluminum penny. As it did with silver in the sixties, the government has responded with threats against the hoarders. Outgoing Treasury Secretary George Shultz has issued regulations prohibiting the export or melting of pennies, and ordered the Secret Service to enforce them. U.S. Mint Director Mary Brooks has tried to discourage hoarding by issuing a press release claiming that the aluminum penny plan has been dropped, and stating that "even if" the price of copper rises to $1.50 a pound (the melt-down point), it would take 240,000 pennies to earn a $100 profit. But she neglected to say what the profit might be at $2.00 or $2.50 a pound.

The controlled U.S. copper price was only 80¢ a pound in May, but the free market international price was $1.20, with prices for delivery three months ahead at nearly $1.40. Meanwhile, the Firestone Bank of Akron, Ohio began paying $1.10 for 100 pennies, the same price being offered by many coin shops. In Los Angeles, the coin shop selling price has already reached $1.26. Thus, many are already profiting from penny hoarding, the U.S. government notwithstanding.

SOURCES:
- "Treasury Warns Hoarders: Penny Pinching Won't Pay Off," UPI (Washington), April 17, 1974.
- "Copper Price Out of Sight, but Comedown Could Be Due," John A. Jones, *LOS ANGELES TIMES,* May 6, 1974.
- "What Bank Needs Is a Good 1-Cent Penny," AP (Akron), April 29, 1974.

OBSOLESCENT AGENCIES

The federal government justifies many of its recent regulatory measures as providing "consumer protection." Yet the critical standard applied to the market by many consumerists and bureaucrats never seems to be turned on the government itself. Yet, notes Prof. Roland N. McKean of the University of Virginia, the "products" of government are "inferior, wasteful, dangerous, and against the public good." Writing in the University's *TAX REVIEW,* McKean lists tariffs, price-support programs, regulatory programs, public housing , welfare, and defense as public goods which should be as critically examined as is the private sector's output—from the standpoint of quality, safety, price, advertising, and misleading information. "As a consumer," adds the former Rand Corp. researcher, "I do indeed feel put upon regarding the quality of my goods. But it's not so much because my hot dogs are 30 percent chicken and bread crumbs; it's much more because my public goods often seem to be 70 percent baloney."

It is in this spirit that Senator William Proxmire has called for the abolition of 16 federal agencies, on the grounds that they are useless and wasteful. The agencies are as follows:

- Interstate Commerce Commission
- Selective Service
- Renegotiation Board
- Civil Defense
- Cost of Living Council
- Pay Board
- Price Commission
- Committee on Dividends and Interest
- Construction Industry Stabilization Committee
- Rent Advisory Board
- Committee on the Health Services Industry
- Committee on State and Local Government Cooperation
- CIA's "department of dirty tricks"
- Small Business Administration
- Overseas Private Investment Corporation
- President's Council on Physical Fitness.

Although the list is very limited, Proxmire has made a good start. Hopefully, his initiative in offering this list will be the beginning of a new form of campaigning. Instead of outdoing each other with promises to create new agencies and programs, how refreshing it would be to have politicians competing on the basis of which set of agencies they would vote to abolish.

SOURCES:
- "Paying Taxes Is Long Process," Chet Holcombe, *SANTA BARBARA NEWS-PRESS,* April 10, 1974.
- "Proxmire Wants Agencies Ended," AP (Washington), April 15, 1974.

MILESTONES

- *Antitrust.* For the first time in 24 years the Justice Department has lost an antitrust appeal in the U.S. Supreme Court! The 5-4 vote united Justice Potter Stewart with Nixon's four appointees in what may be a new probusiness majority in such cases. The case sustained the merger of two Illinois coal companies over the vigorous objections of the Justice Department's antitrust division. It turned on the definition of markets affected by such mergers. For years Justice has argued that competition is "restricted" by mergers, using a very narrow definition of the relevant market, while companies have pointed out the wider context in which they operate, both geographically and in terms of substitute products. It is this latter, more realistic view of competition that has been sustained for the first time in the Court's new ruling. (Source: "U.S. Loses 1st Antitrust Suit Plea in 24 Years," John P. MacKenzie, *WASHINGTON POST,* March 20, 1974.)
- *Energy.* In a surprising turnabout, liberal Senator Mike Gravel (D—Alaska) has endorsed laissez-faire capitalism. In a banquet speech to the American Society of Heating, Refrigeration, and Air Conditioning Engineers, Gravel said that the real energy crisis is the adverse economic impact which he predicts will come if free enterprise is not permitted to deal with energy matters free of government interference. Gravel suggested that crisis and catastrophe are the country's lot unless *laissez-faire* becomes the nation's economic posture. (Source: "Senator's Energy Talk Was Praised, Panned," *AIR CONDITIONING, HEATING AND REFRIGERATION NEWS,* February 25, 1974.)
- *Money.* The Nixon Administration in February abolished a set of Kennedy-era controls on the movement of capital into and out of the country. As a result, Americans are at last free of the interest equalization tax on shares of foreign stocks (such as South African gold mining shares). Also, banks no longer must abide by "voluntary" Federal Reserve guidelines on foreign loan volume, and corporations are no longer subject to a complex set of restrictrictions on foreign investments. (One sour note is that the interest equalization tax has *not* been abolished; it has simply been set at zero, leaving the door open for future increases.) In quick succession after the U.S. action, the governments of Canada, Belgium, The Netherlands, and West Germany also lifted their capital controls. (Source: A Step Toward Freedom," *TIME,* February 11, 1974.)
- *Postal Competition.* The Independent Postal System of America (IPSA) has been acquitted of "mail fraud" charges brought by the federal government. The directed verdict cleared the company, its president, and two vice presidents of all charges. The judge's ruling affirmed IPSA's legal right to solicit and deliver third and fourth-class mail in competition with the U.S. Postal Service, thereby ending a period of government harassment of the highly successful company. (Source: News item, *LOS ANGELES TIMES,* April 30, 1974)

tors has been forbidden by law to practice their profession in California. Osteopathic physicians and surgeons were prohibited from being licensed as osteopaths (and hence, from practicing osteopathic medicine) by a 1962 ballot initiative sponsored by the California Medical Association, in order to strengthen its state-backed motto that year, osteopaths accounted for 10 percent of all doctors in California. Now the California Supreme Court has unanimously ruled the 1962 measure unconstitutional, charging that it violated the equal protection provisions of both the state and federal Constitutions. Attorney Alexander Tobin, who brought the case to aspect of the decision is that it gives California about 850 physicians and surgeons who can come immediately into the State fully trained and without one dime of cost to the taxpayers." (Source: "High Court Voids Ban on Osteopath Licensing," *LOS ANGELES TIMES,* March 20, 1974.)

movies

REVIEWED BY CHARLES BARR

• Swashbuckling isn't quite the art it used to be, but it's still good for a lively dose of ersatz romanticism in Richard Lester's production of **THE THREE MUSKETEERS.** Lester, who was responsible for the early Beatles movies, approaches his current project with the same spirit of amiable nonsense, giving full rein to the excesses of Dumas' novel and letting the chips fall where they may. Michael York stars as D'Artagnon, the apprentice musketeer whose enthusiasm outweighs his dexterity. With an assist from the likes of Oliver Reed, Raquel Welch, Charlton Heston, Faye Dunaway and Richard Chamberlain, the movie packs quite a bit of color and excitement into its 105-minute running time. There are palace intrigues, duels to the death over trifling insults, infidelities, elaborate swordfights and more. The movie's single flaw seems to be an excess of pratfalls; the mock-heroic gestures and posturings of the various protagonists nearly always end in disaster. The film covers the first half of the novel, in which the musketeers come to the aid of the Queen, recovering a set of diamonds she gave her secret lover, England's Duke of Edinburgh, and foiling a palace plot to disgrace her. A sequel, *THE FOUR MUSKETEERS,* will send up the second half of the novel. Should be fun. Rated "PG."

• The secretive, unpleasant world of the professional wiretapper is ruthlessly dissected by Francis Ford Coppola in his latest film, **THE CONVERSATION.** Its antihero is Harry Caul, one of the best buggers in the country, a middle-aged neurotic whose professional expertise has been indirectly responsible for several murders. Gene Hackman effectively portrays Caul as a reclusive, suspicious, lonely man, given to fits of doubt and guilt about the morality of his work. After taping a conversation between a couple in a city park, he realizes that his eavesdropping might result in yet another murder. He attempts to take countermeasures in order to ease his conscience, but in so doing he finds that the techniques he has employed so effectively are now being used against him. Coppola directs the film with a fine sense of irony, using the taped conversation as an effective counterpoint to the later visual imagery, and displaying the soul of a man who, because of his profession—spying on the private lives of others—cannot allow himself to have any meaningful private life of his own. The range of sophisticated gadgets and techniques available to professional wiretappers, as demonstrated in the movie, is awesome and frightening. Emotionally, the film is a real downer—unavoidable, given its creepy subject matter. The ending is marred by intercuts between fantasy and reality, as Caul becomes more and more paranoid, trapped by a system he helped create. But for those interested in understanding the mind of the wiretapper—and, by implication, the Watergate mentality—*THE CONVERSATION* will provide some answers. Rated "PG."

• **LOVIN' MOLLY** is a frustrating case of wasted potential, a promising love story that is finally unravelled by its own loose ends. Based on Larry McMurtry's novel *LEAVING CHEYENNE,* the movie ranges across forty years in the life of a Texas woman and the two men she loves. Anthony Perkins as the straight-laced farmer's son, Beau Bridges as his easygoing friend, and Blythe Danner as Molly, who loves them both, all deliver fine performances in the context of their roles. But the roles themselves are murky and ill-defined; often the principal characters seem oblivious to their most fundamental motivations. Such a situation is as destructive in a film as it is in real life; in *LOVIN' MOLLY,* the half-baked psychological delineation plays havoc with the already thin plotline. As the movie leapfrogs from 1925 to 1945 to 1964, huge chunks of the story take place offscreen. For instance , Blythe Danner has two sons, who grow up and die in World War II; they are never shown. Director Sidney Lumet moves the film along in fits and starts, throwing in a good episode here and there, then focusing on long stretches where nothing much happens. Many of the events in the film, such as the early love scenes and Molly's reactions to the birth of a calf, are played with a natural, true-to-life spontaneity; but the significance of such events is largely lost in the movie's aimless meandering. Rated "R."

Raquel Welch tries to prevent a sword fight between Michael York and Simon Ward in THE THREE MUSKETEERS.

MURRAY N. ROTHBARD

HATRED OF THE AUTOMOBILE

There is something about the Left that hates and reviles the automobile, and the larger and more comfortable the automobile, the worse. It's not just the recent hoopla about the "gas-guzzling monsters" —hoopla by the very same people who are forcing upon cars antipollution devices that guzzle far more gasoline than ever. It's not just the government subsidies to the highway lobby, for since when did the Left worry about government spending? No, the syndrome had surfaced as far back as the 1950's, when John Kenneth Galbraith and other left-wing worthies were going into conniption fits about the tailfins on Cadillacs. I couldn't see the drift then at all; I was not particularly enamoured of tailfins, but why in hell were these people expending so much energy on a trivial matter of esthetics? The tailfins, in the course of time, disappeared, but not the anti-auto hysteria of the Left, which simply reappears from time to time in other guises and forms.

It is becoming increasingly apparent to me that we are facing not a mere abhorrence of the rococo, or a desire to conserve energy, but a deep-seated and even pathological hatred of everything that the automobile represents. Perhaps we can see the motivation more plainly if we consider what the Left wishes to put in the place of the despised automobile: what it boils down to is bicycles (like they rode in the good old days of pre-affluent Europe), and mass transit. Mass transit? You mean they want *more* of the filthy subways of New York City, where people are herded in like cattle? Yes, I think that is exactly the sort of transportation system that the Left wants to impose on America and the world.

Consider the contrast between the auto (especially the large auto) and mass transit (we can dismiss the bicycle as a patently bizarre attack on living standards and on the aged and infirm.) The auto is comfortable, individualistic, mobile; the driver is in command of his ship—he can start from anywhere he wishes and end up the same way. The automobile is the supreme form of individualistic transportation, catering to the comforts and wants of the individual owner. But then consider mass transit: it is tiring, uncomfortable, collectivistic. Everyone confronts everyone else, everyone is forced to rub elbows with a "cross section of democracy," as they are herded from a point set by the transit system to a goal set by it as well. The automobile is luxury for the individual; the bus or subway packs persons into an enforced and unhappy collectivity. The idea that mass transit is more "efficient" than the individual auto because it carries more people per mile-hour, almost wilfully misses the crucial point: namely that the *quality* of the carrying is far poorer under mass transit than under the aegis of the individual car. The Leftists emit a great deal of vague blather about the importance of "the quality of life." Can we deny that that quality would take a severe nosedive if mass transit came to replace the automobile?

But *why* the savage assault on the automobile? We still have not gotten to the root. We could also bring out the hypocrisy of the Leftish critics. Most of the bitter critics of the auto that I know, themselves ride around in luxurious cars, albeit of the sporty foreign variety. J. K. Galbraith has made millions out of his ferocious attacks on "excessive affluence," and is reputed to have mansions in four countries. But still we have not found the key.

I think the key may be found in the seemingly unrelated hatred by the Left of the innocent pastime of most Americans in watching professional football on television. Numerous books and articles have been written in recent years flaying the competitiveness, the "brutality," the vicarious nature of watching professional football. And there is no question about the fact that pro football flies in the face of the Left's cherished desire to remold the nature of Man: to expunge excitement, competition, and (horrors!) money-making from our social life. Just as the Left would like to see us all ride bicycles, so they would like to see us throw away our Sunday TV and do eurythmic dancing on the greensward. *There* is proper use of leisure!

Here I think we have the key—and not simply the fact that there is not one Leftist I know who spends *his* time doing eurythmics. H. L. Mencken once superbly defined Puritanism as "the haunting fear that someone, somewhere, may be happy." At the root of the savage assault by the Left on the automobile, as well as the lesser assault on pro football, is the fact that the mass of Americans enjoy both of these pursuits, that the American loves to drive his own big car and to watch pro football in his leisure hours. At the heart of Left-wing "humanitarianism," I must conclude,

is a deep-seated hatred of the average person and a bitter desire to see him unhappy, to deprive him of his cherished enjoyments. The real message of the Left to the world is: "Dammit! You shouldn't *want* to make money, to live in a split-level house in the suburbs, to own and ride several big cars, to enjoy pro ball on color TV, to smoke cigarettes, to drink beer, to see *SOUND OF MUSIC,* to do all the things *you* like to do." What the world *should* like to do is hazy and unclear: eurythmics, backpacking, listening to rock, reading Galbraith . . . who cares so long as it *doesn't* enjoy them? We are forced to conclude that the Left, endlessly intoning its love of "the people," in actuality and in the concrete hates the bulk of the human race. ◻

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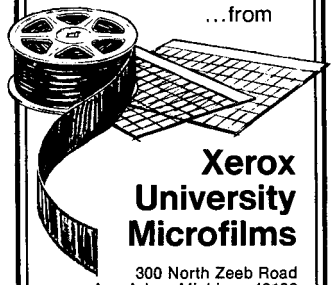
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TAX PROTEST DAY

On April 13th the **Society for Individual Liberty** (a national campus-based libertarian organization), joined by the **Libertarian Party**, sponsored the second annual National Tax Protest Day. Protests were carried out in a number of cities including Tampa, Gainesville, Ft. Lauderdale, and Miami, Florida; Philadelphia, PA (where a gun toting Uncle Sam rounded up tax slaves and received radio, TV, and newspaper coverage); Los Angeles, CA (the 85 demonstrators at the Federal Building received coverage by TV network news, several radio stations, and the *LOS ANGELES TIMES*. Speakers included representatives of the Libertarian Party, the Peace and Freedom Party, the Republicans, the Democrats, and the American Independent Party. **Roger Scime** sang some tax protest songs and **The Libertarian Players** presented an anti-IRS skit); Las Vegas, NV (where the 25 protesters garnered coverage from two television and six radio stations); Pocatello, ID and Salt Lake City, UT (the *IDAHO STATE JOURNAL* carried a long article on the Pocatello group, led by **Larry Fullmer** and the Utah group, led by **Karl Bray**). The June 1974 issue of *SIL NEWS* will concontain a full report on the tax protests —*SIL NEWS* is sent free to members of SIL; others may subscribe by sending $3 to Society for Individual Liberty, Room 304, Empire Bldg., Philadelphia, PA 19107.

FUND RAISING GALA

On Saturday, April 20, **Dr. John Hospers** (Director of the School of Philosophy at USC, and 1972 Libertarian Party Presidential Candidate) was the guest of honor at a fund raising party held for **Sanford Cohen** in Highland, New York. Cohen is the Free Libertarian Party's candidate for U.S. Congress from New York's 25th district.

Over 100 supporters of the campaign heard Dr. Hospers speak of the urgent need to elect people, like Cohen, whose only political motive is the extension of human freedom.

The party was the official kick-off of a massive direct-mail fund raising effort. Cohen thanked the people from all over the country who have contributed to the campaign. He emphasized that, "the thousands of dollars raised by this party are a small part of what we have already done and what we will continue to do. These contributions will help us to go on raising the kind of money needed to put powerbrokers like Rep. Hamilton Fish out of business."

For further information on Sandy Cohen's campaign please contact **Citizens for Cohen**, P.O. Box 1776, Poughkeepsie, NY 12601.

NOTES

The **Utah Libertarian Party** has gained a spot on the November general election ballot by virtue of having submitted over 500 signatures from throughout the state with at least 10 from each of 10 counties. **Karl Bray**, a leader of the national tax resistance movement, will be a ULP candidate for Congress . . . **The Tampa Bay Chapter of the Florida Libertarian Party** meets on the second Saturday of each month at 1 p.m. Officers include: vice president, **Skip Grierson;** secretary, **Roberta Breedin;** treasurer, **Bill Sunbaum.** For further information please contact Skip Grierson at P.O. Box 181, Tampa, FL 33601 . . . **Brian Donerly,** Gainesville, Florida LP chairman, is campaigning for a seat on the Gainesville City Council. Brian has been a vocal libertarian in Gainesville for three years and he says that in only one month and with only a $300 investment he has gotten 10 times more publicity for libertarian thoughts than at any time in the three year period. He is a first year law student and has masters degrees in statistics and journalism. To contribute or obtain further information contact **Donerly Campaign Fund,** 288-3 Corry Village, U. of Florida, Gainesville, FL 32601 . . . **Libertarian Alternative of Los Angeles** members appeared on television four times in May to deliver rebuttals to station editorials, including ones on such topics as school bonds (Libertarian Alternative opposed the bond issue) and the California State Department of Tourism (libertarians called for its abolition). Libertarian Alternative meets the first Monday of each month at Eater's Digest Restaurant, 9032 Wilshire Boulevard, Beverly Hills, beginning at 8:30 p.m. All interested persons are invited to attend; it is not a dinner meeting and there is no charge. . . .

Political activists should take a look at *THE ALMANAC OF AMERICAN POLITICS* by Michael Barone, Grant Ujifusa, and Douglas Matthews published by Gambit Press in Boston ($6.95 in paperback). Taking every one of the 435 Congressional districts in the U.S., the almanac describes the political history of each district, who lives there, how much they earn and other demographics, and the voting histories of their elected representatives. If you're planning a political campaign it's a good way to find out what you're up against. . . . **The Libertarian Information Forum (LIFE)** has been organized, "whose purpose is to examine the application of libertarian solutions to the serious problems facing South Florida." For further information please contact **Rebecca Bailey,** 3367 College Avenue #104, Ft. Lauderdale, FL 33314, (305) 792-4133. . . . **Greater Washington Society for Individual Liberty** will meet Sunday, June 2 at 7 p.m. to hear a talk by **James Kiefer** entitled "Objectivism and Theism: A Critique of Branden's Concept of God." The meeting will be held at **Doris Gordon's** house in Wheaton, MD—for information contact her at 460-4141. . . . **Sy and Riqui Leon,** directors of **Rampart College,** will hold a discussion and open house at their residence the second Friday of every month from 8 p.m. to midnite. The policy is BYOB (Bring Your Own Bottle), with the Leons supplying ice and light refreshments. Guests are welcome and need only be interested in ideas (i.e. they needn't be confirmed libertarians). For information about the location contact Sy or Riqui Leon at Rampart College, P.O. Box 11407, (714) 832-6234. . . . **The Libertarian Supper Club of Los Angeles** is an informal association of libertarians who meet monthly, on the first Tuesday of the month, for supper and to hear a speaker or other type of program, and discuss the ideas presented. There is no form of charter and no officers or dues, expenses being covered by the charge for meals or a nominal amount to attend the program only. Those who are unable to attend any of the meetings but would like to be retained on the mailing list for the monthly *Newsletter*/meeting notice are requested to send in $1.20 once a year to cover the postage costs involved. The meeting is held at the Taix Restaurant, 1911 Sunset Boulevard in Los Angeles, with dinner being served at 7:15 p.m. For further information please contact **Lloyd Licher,** 12536 Woodbine St., Los Angeles, CA 90066. Phone (213) 397-4848 (home) or 390-4449 (office) . . . ◻

publisher's notes

• **MASTHEAD CHANGES:** In accordance with *REASON's* periodic rotation of editorial positions among its major editors, Lynn Kinsky steps up to the position of Editor-in-Chief this month. Besides her *REASON* responsibilities, Ms. Kinsky is a sociologist, currently pursuing graduate work at University of California, Santa Barbara. Robert Poole, Jr., who has served as Editor-in-Chief since October 1973, now becomes Executive Editor. Poole is employed as a systems engineer with a small think tank in Santa Barbara. Manuel S. Klausner and Tibor Machan remain in their respective positions as Publisher & Editor and Senior Editor. Klausner is an attorney with a major Los Angeles corporate law firm and is chairman of the Libertarian Law Council, based in Los Angeles. Machan teaches philosophy at State University of New York, Fredonia. He has published widely in philosophical and ideological journals, and a recent article, "The Moral Imperative of the Free Market," appears in the April issue of *NEW GUARD.* No change of policy is signified by these new staff assignments.

• **MASTHEAD ADDITIONS:** Added to this month's masthead is new contributing editor, John Hospers. Hospers is director of the school of philosophy of the University of Southern California and is currently running for governor of California as the Libertarian Party's write-in candidate. In addition to his frequent articles for *REASON* and other journals, Hospers edits the *PERSONALIST* and is the author of the big-selling book, *LIBERTARIANISM.*

Another new staffer this month is Prakash Aswani who joins *REASON's* continually expanding network of foreign correspondents. *REASON's* first Asian correspondent, Aswani will report on developments in India. He is currently studying at the University of Michigan and plans to return to India this fall.

• **ACCOLADES FOR REASON:** The May 1974 issue of *BOOKS FOR LIBERTARIANS* (vol. 3, No. 5) contained a glowing description of *REASON,* calling it "the preeminent journal of the libertarian movement." *BOOKS FOR LIBERTARIANS* is a monthly publication which carries reviews of current books and records. A sample copy of the May issue may be obtained by writing to Books for Libertarians, 422 First St., S.E., Washington D.C. 20003.

• **LAW & LIBERTY PROJECT:** The second issue of *LAW & LIBERTY* is now out. A newsletter published by the Law & Liberty Project of the Institute for Humane Studies, *LAW & LIBERTY* contains valuable articles and analysis of legal developments of interest to libertarians. The newsletter is available upon request, without charge, by writing Law & Liberty Project, Institute for Humane Studies, 1134 Crane St., Menlo Park, CA 94025.

• **GOVERNMENT DECEPTION DEFENDED:** The Air Force law office has taken the position that it is legal for "military" or "foreign policy" reasons to disguise military operations through "inaccurate or untrue" official reports. This conclusion was asserted in a memorandum from the Air Force's highest law officer, which was submitted to the Senate Armed Services Committee in connection with the Committee's investigation last summer of the secret bombing of Cambodia for 14 months before May 1970. The Cambodian bombing raids had been authorized by President Nixon in March 1969, but were concealed in reports to Congress which falsely identified the targets as located in South Vietnam.

We are well aware of the common mentality among bureaucrats that *they* know best how to spend the taxpayers' money; but you'd think that the bureaucrats would at least be proud enough of their conduct to tell us just how they're doing it.

• **JITNEYS REVISITED:** *REASON* has long been in the forefront of those advocating "jitneys" as an effective way to help solve urban transit needs (see "Taxis and Jitneys: The Case for Deregulation," Feb. 1972; "Positive Approaches Towards Current Problems" (Editorial), Aug. 1973; "Trends," April 1974). Recent developments on the jitney-front in Los Angeles involve both good news and bad news for jitney proponents. *The good news:* Los Angeles has recently removed its prohibition on jitney service in the city. *The bad news:* The Los Angeles City Council's proposed ordinance would allow the city-operated bus system (RTD) to restrict jitneys from operating over many desirable routes. Los Angeles Mayor Tom Bradley, whose 1972 mayoral campaign included a jitney plank, told *REASON's* publisher several months ago that he was still attempting to have jitney service restored to Los Angeles, but was opposed by the RTD which did not want jitneys to operate on any route which would cause the RTD buses to lose passengers.

The current situation in Los Angeles was skilfully analyzed by a University of Southern California economics professor, Ross Eckert, in a letter to the *LOS ANGELES TIMES* (April 17, 1974):

> After a 60-year lapse, Los Angeles appears to be on the verge of restoring jitney transportation. Jitneys are small buses which supposedly carry 8 to 15 passengers for short trips of 1 to 2 miles to "personalized" destimations for fares of usually less than $1 each. They were very much the "craze" in Los Angeles way back in 1914 and became so popular that the jitney "movement" quickly spread across the entire nation.

(concluded on page 41)

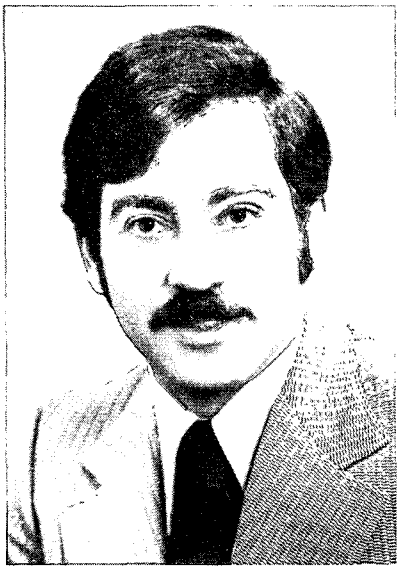
"Dr. Feelgood feels bad."

At a time when other libertarian political candidates are just getting their 1974 campaigns started, Free Libertarian Party candidate Sanford Cohen's bid to unseat New York liberal Congressman Hamilton Fish is well underway, with an enthusiastic and experienced group of "Citizens for Cohen" (Box 1776, Poughkeepsie, NY 12601) carrying the libertarian message to the far corners of the 25th District. They've been at it for a while—believing that it takes time to build an efficient campaign organization and to get the news media and citizenry to take libertarian ideas seriously, 31-year-old Sandy Cohen began actively campaigning over 18 months ago!

In addition to his political activities, Cohen continues to pursue his primary vocations: teaching special education and general math at Beacon High School and being the owner and director of The Reading Lab—a private facility specializing in reading instruction. He has had a variety of other work experiences, including merchandising and management, and has been active in many civic and professional organizations.

Sandy lives in Poughkeepsie with his wife, Carole, their two children, Jennifer and Brock, and his "libertarian" dog ("It's a big Weimaraner and it does whatever it wants—but noncoercively"). When time permits he enjoys playing tennis and reading nonfiction works, mainly in economics (his undergraduate major in college).

Cohen credits Jay Bloom, a professor of economics at SUNY—New Paltz, with introducing him about 10 years ago to such libertarian writers as Ayn Rand and Murray Rothbard and thereby effecting his transformation from liberal to libertarian. Although Cohen finds the idea of spreading libertarianism through strictly educational means appealing, he is impatient with libertarians who think that that's the *only* way to go—"It seems to me there are many people who are libertarians because it's so easy—you don't have to *do* anything. They have plans for writing The Great Libertarian Novel or Treatise and think that's sufficient. In fact, we already *have* the philosophers and the philosophical base for building a Free Society—for the rest of us actions speak louder than words. That's why I'm in politics—it enables one to reach the most people in the shortest period of time. The press releases I write dealing with various issues get picked up by the media—our campaign reaches 300,000 to half a million million people a week. That's an impressive educational effort right there, plus getting elected will give me a chance to change the system from within." ◻



SANFORD COHEN

COMING NEXT MONTH:

Next month's issue features an exclusive REASON interview with libertarian psychiatrist Peter R. Breggin. Almost single-handedly, Breggin has alerted Americans to the quiet resurgence of the use of psychosurgery on involuntarily-confined mental patients and other prisoners. Breggin discusses his efforts in this regard, his views on the Big Brother State, and many other topics.

Also in next month's issue are two fascinating discussions of urban problems. In "The Life and Death of New York," John Hospers discusses the destruction of a once-great city by bureaucracy, regulation, and taxation, and offers suggestions for reversing the process. And former city official David Grant offers an insider's view of the destructiveness of rent control, and the practical difficulties involved in removing it.

All this, plus David Brudnoy's Viewpoint, Davis Keeler's Money column, and all of REASON's regular columns and features.

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Leslie Snyder

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letters

STEVE SYMMS DEFENDED

I was appalled by the narrow-mindedness exhibited by Edward H. Crane and R. E. Cleary in your May issue in reading Congressman Symms out of the libertarian movement.

If the Libertarian Party is to survive as the political arm of the movement, the notion that there is *one pure libertarian point of view* must be dispelled. If it is not, then the party will go the way of the Socialists and the Communists, fragmenting into various sects and splinters, each holding that it alone expounds *the truth.*

Libertarians would have a lot less to worry about if every member of Congress voted like Congressman Symms.

C. William George
Editor/Publisher
AGAINST THE WALL
Westfield, NJ

DON'T WRITE OFF SYMMS

Ed Crane, in his letter [May] commenting on your interview with Rep. Steve Symms, has done both the Congressman and the Libertarian Party a great disservice. Crane writes off Symms, a SIL member who described himself as a "student of libertarianism," as simply as a "conservative" with whom we should "disassociate ourselves."

This is unfair to Symms, who at least deserves the label "libertarian-conservative." He uses every opportunity to promote libertarian views, even when appearing before such staunchly traditionalist conservative groups as Virginia's Cardinal Society. Crane may be surprised to learn that Symms has praise for the Party even before such audiences.

Symms has used this office to advance libertarian causes, such as abolishing the federal postal monopoly and legalizing private ownership of gold. His gold bill, cosponsored with Phil Crane of Illinois, was one of the few attempts made in Washington in years to go on the offensive for freedom. His voting record is not perfect (indeed, *THE ROYCE REPORT* helped expose that fact), but it is extremely good.

It should be kept in mind that both Symms and the LP are working within the political system. To succeed within that system, one must be willing to concentrate on certain key issues and accept a gradualistic elimination of the State. It should be obvious that even if libertarians inside or outside the LP took over the government tomorrow, it would still take years to achieve a libertarian society. John Hospers, among others, made this point very effectively in a speech to the Free Libertarian Party last year.

I do not agree with the Symms position on amnesty either, but it is foolish to disassociate ourselves with him because we do not agree completely. Should we have repudiated Hospers in 1972 when he seemed "soft" on a few issues? Should we repudiate Rothbard because he backed Nixon in 1972? Should we repudiate Marvin Edwards [see *REASON PROFILE,* Nov. 1973—Ed.], a Symms-style Republican some of our members are working with in the Oklahoma GOP primary, because he is not 100 percent consistent? Indeed, with the next Congress likely to be worse than the present one, don't we need all the friends we can get?

By writing off Symms, we write off all of our state and federal "representatives," a position some will say is fine, good riddance. Like it or not, though, we are stuck with that crowd until we have the strength to elect our own people. In the meantime, it certainly makes sense to cooperate on issues with such "representatives" as accept our views on them. By writing the relative "good guys" like Symms off as not worth our cooperation, we eliminate any chance of affecting legislation. We eliminate any hope of attracting converts from outside the hard-core "movement" ranks. We ignore reality and confine ourselves to permanent obscurity.

Let's recognize that the present crowd of politicians is a bad one. But there is some good in all of them, and when they support our position they deserve our praise. When, like Symms and H. R. Gross, they are in substantial agreement with us, they deserve our support whether they are Republicans, Democrats, or Peace & Freedomites. If the LP becomes simply a group of bitter-enders, out to eliminate from office all incumbents indiscriminately, we will simply speed up the march of totalitarianism.

The LP of and by itself is not about to elect a large group of Congressmen. Our chance to be effective in the next few years lies in educating the public, mobilizing public sentiment *against* bad bills and *for* good ones, and in trying to build up broad-based support for a real third party push in the future. By realizing that we are a political party, by recognizing our weaknesses, and by showing a willingness to engage in "critical alliances," the Party may ultimately succeed. If we follow Mr. Crane's advice, we surely will not.

Eric Scott Royce
Region 7 ExecCom Rep., LP
Editor, THE ROYCE REPORT
Arlington, VA

MR. CRANE replies: I believe Mr. Royce has read considerably more into my letter than is really justified. The necessity of the gradual elimination of the state, the desirability of working with legislators and encouraging those who agree with us partially, and the wisdom of mobilizing our forces for or against certain legislation is self-evident. I could not agree with Mr. Royce more.

I do take exception, however, to Mr. Royce's transforming the word "disassociate" into "repudiate". I would hope most *REASON* readers, like myself, would not seriously entertain the idea that a "repudiation of John Hospers" is analogous to my recommendation that the LP disassociate itself from the political philosophy of Steve Symms.

But perhaps this is an area in which there is a legitimate disagreement. To my mind the greatest threat to the future of the Libertarian Party is the compromise of our principles. As we become a more important factor in American politics the temptations to give in to expediency, to associate ourselves with "relatively good" Congressmen in order to gain legitimacy and constituency will be numerous. We must clearly maintain our separate identity while only entering into ad hoc alliances that further the cause of libertarianism.

I do not know which "weaknesses" Mr. Royce is advising the LP to recognize. I do know that our constant adherence to a consistent set of principles is our greatest strength. Our success in the future will result from a gradual recognition on the part of the public that we *are* consistent, that we are different from any other political party because we place principle above expediency. To create that image in the public's eye we must not allow the public to confuse us with those who are inconsistent.

Steve Symms has done many good things

as a Congressman and we should loudly applaud him for them. He has also, however, voted in favor of farmers' subsidies, federal grants for scientific research and federal spending on mass transit. His views on victimless crimes and amnesty are those of a conservative. The fact that Symms accepts the legitimacy of governmental interventionism in economics, and the definition and enforcement of morality by government means he is not a libertarian. To claim otherwise is not only wishful thinking and irresponsible, it is sowing the seeds of compromise that will ultimately lead to the downfall of the Libertarian Party.—**E.H.C. III**

FOOLISH INCONSISTENCY

In your March issue there was a letter from Mr. Steven Schneider, in which he stated that WRAL-TV (Channel 5) in Raleigh, North Carolina, maintained a free enterprise editorial policy. As a Raleigh native, and off and on resident, I can affirm that this is so. WRAL-TV *does* have a sort of libertarian-*conservative,* economic position.

Residents of Raleigh are also aware that Channel 5 has always supported a sort of "middle of the road" racism, and that, of course, people who "commit" all manner of victimless crimes should be locked up. The wealthy owners of WRAL-TV are all for *certain* measures of economic freedom, and very much opposed to social freedom. A rather curious form of libertarianism, wouldn't you say?

Your readers might also be interested to know that Senator Jesse Helms (R., NC) went around quoting Ludwig Von Mises in his 1972 senatorial campaign—and recently advocated that all Raleigh "streakers" be rounded up—nude of course—and incarcerated in N.C. State's Carter Stadium—there to be given hourly cold showers in between forced running on the football field.

I mention this because Senator Helms was previously executive vice-president of WRAL-TV, and the editorialist for the station. The views of Jesse Helms and WRAL are virtually indistinguishable. Sorry, but you'll have to look elsewhere for a libertarian TV station—assuming the FCC changed its ways and permitted one.

Michael Washburn
Raleigh, NC

MAFIA FIXATION

I simply cannot understand the strange fixation that some of *REASON's* readers such as John Holt have about the Mafia ["Letters," March, May].

In the first place most of the Mafia's activities (gambling, sale of black market goods, the making of loans at high rates to high-risk individuals) are quite legitimate and would never be interfered with in a libertarian society. Second, those immoral activities which the Mafia does engage in (extortion, forcible maintenance of monopoly, securities fraud) are miniscule compared to the activities of the greatest band of organized criminals in the world, the U.S. government.

If libertarians ever manage to destroy the American fascist state does anyone seriously believe that they are then going to be terrorized by a few thousand Sicilians!

Charles Jeffress
Tulsa, OK

OPEN LETTER TO JOHN HOLT

I don't know how other libertarians might answer your question on the Mafia ["Letters," March], but they may feel as shy as I do about responding to one who has made the effort you have, to help people gain an understanding of this world.

One hesitates to teach the teacher Mr.

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own petard." But since you insist, and if you'll allow me the liberty of quoting from your work, perhaps you can find your own answer.

"It is a fundamental legal principle that if we can show that a wrong is being done, we are not compelled to say what ought to be done in its place before we are permitted to insist that it be stopped." *(THE UNDER-ACHIEVING SCHOOL,* 1969, p. 77)

Judith A. Carlson
Wisconsin Libertarian Party
Milwaukee, WI

RESISTING FDA CONTROL

Readers interested in biofeedback should know that government action which would give FDA [Food and Drug Administration] added control over biofeedback instruments is now before Congress. HR 9984 defines "medical devices" in such a way as to include biofeedback equipment. The consequences would be doubly disastrous: the sale of equipment would be on prescription only, and the use of equipment would be limited to those applications which have been "proven" effective. To date, the FDA does not recognize *any* uses as "proven" effective. (The above information is based on oral and written communications received at the 1974 annual meeting of the Biofeedback Research Society, Colorado Springs, Colorado, February 15-20.)

I use biofeedback extensively in my practice of medicine. I do not believe I need any monopolistic control over prescriptions, although I do believe it is wise and advantageous for people considering the use of biofeedback to seek the benefits of my knowledge and experience. Further, I resent the limitations on my own freedom to be innovative which would be added by this legislation.

Readers who are concerned about these issues are invited to communicate with their Congressman and/or with Dr. J. B. Davis, Director, Division of Scientific Review, Office of Medical Devices, Dept. HEW, FDA, Rockville, MD. 20852.

Ann Turner, M.D.
Menlo Park, CA

FAT ON THE BACK

Your magazine is great. I especially enjoy articles on philosophical topics, articles written by philosophers (e.g., Hospers, Machan, Mack), and reviews of philosophers' books. Hospers and Machan . . . have written what I regard as some of your very best material.

Dennis D. Johnson
Storrs, CT

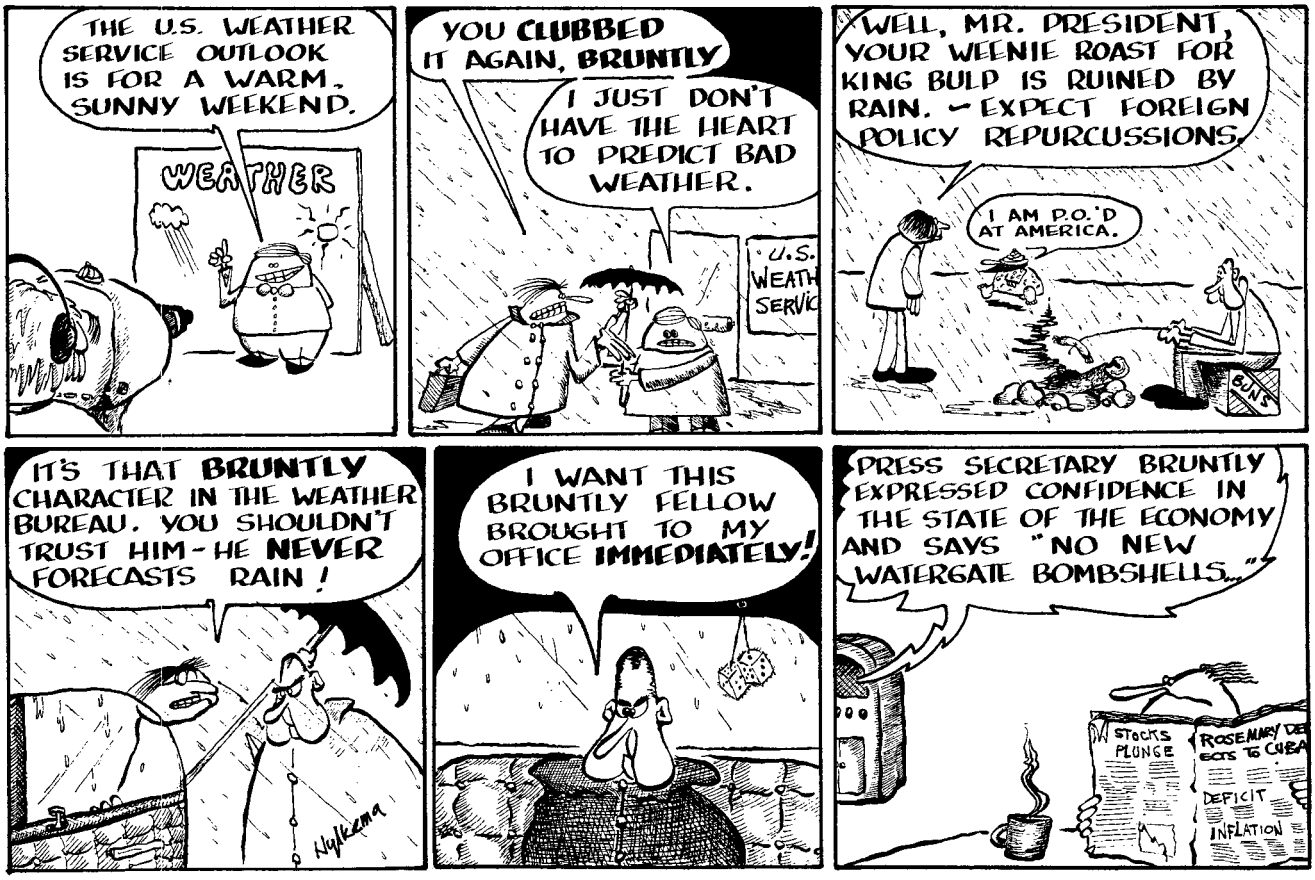
LIBERTARIAN PROFESSIONALISM

To the beautiful Sharon Presley's remarks —March 1974 Profile—to the effect that libertarian principles don't automatically instill professional competence, I shout: Right On!

Over the years, I have had occasion to contract with libertarians for professional tasks at which they professed competence. I have been uniformly disappointed, and I am sure that some of them have been disappointed with me. This experience has led me to write what I have called the Libertarian Syndrome: "If it weren't for the State, and the coercion which it represents, I would step forth and build great munu-

rudebarbs

RANDALL K HYLKEMA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YOU CLUBBED IT AGAIN, BRUNTLY
I JUST DON'T HAVE THE HEART TO PREDICT BAD WEATHER.
U.S. WEATH SERVIC
WELL, MR. PRESIDENT, YOUR WEENIE ROAST FOR KING BULP IS RUINED BY RAIN. - EXPECT FOREIGN POLICY REPURCUSSIONS.
I AM P.O.'D AT AMERICA.
SUN
IT'S THAT BRUNTLY CHARACTER IN THE WEATHER BUREAU. YOU SHOULDN'T TRUST HIM - HE NEVER FORECASTS RAIN!
I WANT THIS BRUNTLY FELLOW BROUGHT TO MY OFFICE IMMEDIATELY!
PRESS SECRETARY BRUNTLY EXPRESSED CONFIDENCE IN THE STATE OF THE ECONOMY AND SAYS "NO NEW WATERGATE BOMBSHELLS..."
STOCKS PLUNGE
ROSEMARY DE GOES TO CUBA
DEFICIT
INFLATION

ments to the rationality of the human mind. But, because anything I might do in today's world would sanction the state, I will sit on my butt and do nothing."

Principles are meaningless unless they emerge as the antecedents of *competent* action!

Keep talking, Sharon, you've got the message!

Thos. W. Sanders
Pleasanton, CA

Letters from readers are welcome. Each receives editorial consideration, although only a selection can be published and none individually acknowledged. They should be kept as brief as possible and are subject to condensation. Letters submitted for publication in this column should be typed, double-spaced. Send letters to REASON, P.O. Box 6151, Santa Barbara, CA 93111.

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Reason's Letter of the Month

The letter below, by subscriber Joe Wright, appeared in the April 24, 1974 issue of *NEWSDAY:*

DANGER OF PREVENTIVE LAW

Regarding the article "Hempstead Bans Amusement Rides" (April 3): In Hempstead another disreputable, authoritarian little Town Board has passed another of the growing number of laws blatantly violating individual property rights. This time amusement rides have been banned.

This ban is an example of preventive law, laws declaring illegal actions which might result in the violation of rights. This type of law is irrational and dangerous. It's irrational because it declares actions to be crimes although no violation of rights occurs. Where no violation of rights has occurred, no crime has been committed.

It's dangerous because, under a system of preventive law, a whole Pandora's box of prohibitions has been opened up. Thousands of perfectly proper actions can be declared illegal merely on the premise that under some (however remote) circumstance they could violate another's rights. A car could be used as a murder weapon—shouldn't they be banned? A person could be seriously burned by a sunlamp—shouldn't they be banned? A person could die from eating a poisoned hamburger—shouldn't the hamburger places be closed down to prevent such a crime?

Under a system of preventive law, crimes are whatever legislatures or town boards declare them to be. Personal prejudice, subjective bias, revenge, envy—all the irrationalities of which a man is capable—get written into law. Nothing better can be expected because the link between law and reality, reason and individual rights has been severed.

Preventive laws—and those who advocate them—are notorious and should be repudiated as the destroyers of liberty that they are.

Joe Wright
Forest Hills, NY

REASON subscribers are encouraged to write letters to the editor of their favorite newspaper, magazine, or journal, presenting libertarian views on topics of current interest. Each month REASON selects the most notable published letter for republication in this space, and honors the writer by a six-month extension of his or her REASON subscription. Send copies of your published letters to Reason Letter of the Month, Box 6151, Santa Barbara, CA 93111.

PUBLISHER'S NOTES

(continued from page 36)

The thought today is that jitneys could again be ideally suited to Los Angeles' diffused geographical character by enhancing circulation around downtown, Wilshire Blvd., Westwood, and other areas of relatively high foot circulation.

Unfortunately, the ordinance the City Council has ordered drafted will significantly raise the costs of jitney service and reduce its effectiveness in meeting the desires of passengers. The tremendous advantage of jitneys is that they are not supposed to have to operate along designated routes at fixed schedules. Instead, they are entirely responsive to the demands of passengers—the little buses take you where you want and when you want, saving you effort, time and dollars by economizing on walking distances, less-convenient scheduled trips by regular buses, and more expensive cab rides. This was their great attraction in 1914 and the same probably holds for 1974.

But the council's proposed ordinance would restrict jitneys to certain routes and operating patterns, thus destroying much of their appeal to passengers. The main motive for these restrictions is to prevent jitneys from competing with RTD bus routes and the city's taxicab monopolies; in fact, the RTD would be given an outright veto over jitney routes. These transport outfits would be protected but the convenience to passengers of unrestricted jitney service is somehow forgotten along the way.

It was the political clout of the transit companies that throttled the jitneys once before, which is the only reason why we haven't had any for these 60 years, and they will probably do so again (allied with the cab companies) unless the council "frees" jitneys from these inappropriate restrictions. Without restrictions, jitneys would provide Los Angeles with more flexibility in urban travel and be highly desirable. With restrictions, jitney service becomes a ruse and largely pointless, benefiting mostly the existing transportation monopolies.

We urge our readers to press their elected representatives to remove all existing restrictions against a free market in urban transportation. Demand that government bureaucrats deregulate taxis and jitneys, to allow city-dwellers to benefit from reduced costs with maximum travel flexibility. ◻

classifieds

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WOMAN, '73 GRAD, Fordham, Art History, top grades, wants nonsecretarial employment in New York metropolitan area. 6 mo. Mad. Av. experience. Box MG, *REASON.*

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LIBERTARIAN, PHYSICS-MATH BACKGROUND, versatile, try most engineering. Tired of law school, seeking position or subcontract. *R. O. Miller,* 139 S. 5E, Missoula, MT 59801.

MALE, 29, MARRIED, CHILDREN. B.S., R.P.I.; M.B.A. Experienced: Geology, accounting, environmental impact statements, surveying, fiberglassing, snake breeding. *John Brunner,* 76-J Millside, Delran, NJ 08075.

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PERSONAL

I SEEK WOMEN OF INTELLIGENCE and self-acceptance for purposes of mutual discussion and whatever. Please respond to *Barry Odell,* 585 Acorn Terrace, Horton, MI 49246, (517) 688-3120.

ROOMMATE WANTED TO SHARE APT. with quiet conservative mannered West Coast art student in Manhatten this fall. No gays or freaky people. Write before September and include phone number. *Tom Tanaka,* Box 576, Sumpter, OR 97877.

LAKE COUNTY, ILLINOIS—Why let DuPage have all the fun? Help found a local branch of The Libertarian Party; contact Steve Nelson, 4825 Linscott, Downers Grove, IL 60515, (312) 969-1088.

LOOKING FOR LIBERTARIAN IN THE MARYLAND AREA to share retreat. Write *now* to *Stephen Malls,* 6207 Sareva Drive, Baltimore, MD 21209 (or phone (301) 466-8846).

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IN MY HOME TOWN IS A MOUNTAIN, which in recent years the state, "for my own good," has forbidden me to climb. It is my ambition and resolve that my girl and I will climb it in defiance of the state, and in celebration of our having found each other.

If you are she, you want more details: I am 26, a physicist, inventor, music lover, idea monger, ping-pong nut, builder, wonderer, climber, tinkerer, and romantic. (More pungent adjectives available upon request.)

If you think you *are* she (that is, that we are us), the "muttnik principle" implies that you will want me to have some information about you. If so, please get in touch with me by sending a letter or cassette tape recording to *REASON,* Box CA.

DAGNY, or a woman who values Objectivist/libertarian principles and Harry Browne's "How I Found Freedom . . .," sought by goodlooking responsible individualist, 42, who is very successful, Selfish, honest, unrepressed, open, and intimate. *Joe Maloney,* 1755 Franklin #7, Santa Monica, CA 90404, or phone anytime: 828-3033.

28 YEAR OLD OBJECTIVIST MALE interested in meeting female living near Philadelphia, PA with like philosophy. *L. M. B.,* 441 W. 21st Street, Upland, PA 19015.

LET MAN LIVE. For free information about abolishing religion and reforming the Libertarian Party, please send your mailing address to *Rob Myers,* Box 44111, Panorama City, CA 91412.

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WHERE And HOW To Exchange Your Dying Dollars For Assets Which Can Only GO UP!

HOW TO MAKE MONEY FROM INFLATION

A GUIDE TO GETTING RICH IN THE 70'S

Despite inflation and bad times, *smart men and women are going to make fortunes in the next few years and you can be one of them!*

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All you have to do is accept one basic fact and know how to take advantage of it!

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We are in the midst of spiraling inflation and, according to many experts, **it is going to continue for years.**

Dollars are decreasing in value daily and they will continue to decrease, some economists say, to the point where they are virtually worthless!

To complicate matters, foreign interests, armed with our cheap dollars, compete with us for our own limited supply of commodities right here in our marketplace, driving prices higher still!

The Russians buy our grain and you pay more for meat! The Japanese buy our lumber and you pay unbelievable prices for plywood. Same with beef, cotton, steel and almost everything else!

And that's just the beginning! Not enough gas! Not enough oil! Not enough electricity or paper, or steel, or cotton, or grain, or fertilizers, or plastics, or practically anything else!

No wonder the stock market's so rotten and so many economists are outspokenly pessimistic! With factories closing down, with unemployment rising, with vital natural resources in short supply, with our inner cities decaying, with violence and lawlessness, political upheavals and our loss of power and prestige abroad, no wonder they are forecasting the possibility of runaway inflation and possibly a devastating world depression!

These are the harsh realities! *But despite them, or perhaps because of them, you can still make a lot of money in the next few years!*

How? By taking advantage of circumstances! It's all a question of know-how and it begins with the realization that **YOU ARE LIVING IN A NEW ECONOMIC ERA WHICH REQUIRES NEW INVESTMENT TACTICS AND TECHNIQUES!**

That's the key to it all!

NEW ECONOMIC ERA

The 40's, 50's and 60's are past! The 70's are different and they call for different investment and saving techniques.

Today, putting money into a savings account is like pouring water into a leaky canteen. The interest doesn't begin to compensate for the principal you lose through inflation.

Same with stocks or bonds. The market's not only risky, but what do you do with your diminishing dollars after you make them, *if* you do?

Simply accumulating dollars no longer makes sense. But there *are* safe, secure places where your money can appreciate enormously! In the last three years, while the dollar has declined some 40%, silver has appreciated by 100%, and gold has gone up by 250%! Copper, antimony and virtually every other metal has appreciated greatly, some by as much as 400%!

Land values have soared. In foreign currency, in art, antiques, stamps, firearms, old books, etc., knowledgeable people are making fortunes!

CONVERT YOUR DOLLARS SAFELY, PROFITABLY

Of course, there are pitfalls. Sometimes investments look good but just don't work out. Some lack liquidity. Others are bulky and hard to store. Some tie up too much capital for too long. But the fact is that *you can safely convert your dollars—large amounts or small—into assets which will appreciate substantially and safely, and continue to do so,* and you can learn precisely how in a very exciting book called, "HOW TO MAKE MONEY FROM INFLATION ...A Guide to Getting Rich in the '70's" by Dr. Robert H. Persons, Jr.

Economist Persons, a former editor of Business Week magazine and currently Professor of Economics and Banking at a large Eastern university, has written a clear, complete, absorbing and practical guide to *making money in the 70's!* It evaluates the present situation in simple, straightforward language and presents *the new tactics and techniques you need to protect your declining dollars and make money now and in the years ahead.*

You don't have to be a sophisticated investor to understand or profit from it! Everything in this book is practical, how-to information! You aren't merely told what to do. You are told *how* to do it in precise, unmistakeable terms. It's just as though an expert were next to you, showing you, step-by-step, everything you have to do.

For example, have you considered foreign currency as an investment? How do you buy Marks or Yen? Where do you go? Whom do you contact? What are the names and addresses of organizations handling the transactions and what do their services cost? This book covers every aspect!

SILVER A SAFE HEDGE?

Does the silver market intrigue you? What are the advantages, the disadvantages? Here are all the facts, all the statistics, all the vital, up-to-date information you need, including names and addresses, pitfalls, etc.—and all clearly and *objectively* presented.

Same with gold. You learn how and where to buy gold and why! You learn where and how to store it. You learn all the pros and cons —plus a clear picture of what to expect from gold in the years to come.

What about the art market? How can a layman get involved—even if he knows nothing about art? And what about antiques? And rare books and coins and firearms and so on? Should you get involved? What are the advantages and disadvantages? If you do want in, where do you go, who do you speak to, how do you protect yourself, how can you be sure your buys will appreciate and how much money do you need?

What about savings accounts? *How do you sort out all the various bank promises and claims?* Where do you get the largest returns? Is it wise to tie up your money for years to get a higher rate of interest? The author is a banking expert who gives you the clearest, most objective delineation of the present situation available! *This section alone can make —or save—you a fortune!*

What about the stock market? Are there special game rules for the '70's? You bet there are, and this book gives them to you, including an *ingeniously safe, sure, practical way to invest in the market with a virtual guarantee of 8% appreciation and probably a great deal more!*

How can you make money in real estate part-time?

Is it better to own or to rent? When does it make sense to borrow money even though you have your own capital? What rules of thumb must you apply when evaluating potential investments during these uncertain times? What is the first move if you are currently holding substantial cash assets?

What are the latest techniques shrewd professionals are utilizing to make money? What type of businesses do best in inflationary periods? Who made money during the great inflations of past eras, and how did they do it? How can high tax rates be turned to your advantage?

That's just a smattering of the practical, how-to information in this book. Active investor or just trying to hang on to what you have, this sensible guide can show you the way to a fortune!

That's right! Even in—or perhaps *especially* in—this inflated era, you are surrounded by money-making opportunities! This book points them out. It tells you *what* they are, *where* they are. It tells you everything you have to know to realize them. Put just one of the ideas to work and this book will not only have paid for itself many times over, but may well help you to realize financial security you never dared dream possible! And you can find out without risking one single penny!

AN IMPORTANT NOTE

The period between 1939 and 1969 is over with. Experts agree that many of the investment techniques which were successful then are no longer valid today! From now on it's another ball game! World inflation, shortages, dollar devaluation, decline of natural resources, ecological considerations and what many economists predict could develop into a devastating world depression are going to make this a difficult era in which to live well—*unless you are fully prepared*—and this book shows you how! *It not only details the new investment tactics and techniques you must know and use to make money in the '70's, but tells you where and how to take advantage of this inflationary period to make a fortune!*

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THERE'S MORE TO FREEDOM THAN SLOGANS

Everybody claims to be in favor of "freedom." Yet how many people really understand what it's all about? Consider the businessman who's all for free competition . . . unless his competition is named IBM or is Japanese. Or the mayor who wants plentiful transportation . . . but outlaws jitneys. Or the military leader who wants to defend freedom . . . using conscripted labor. Or the citizen who's all for free speech and press . . . so long as the material isn't "obscene." Each wants freedom for the things he considers important, but at the expense of somebody else's freedom.

At REASON Magazine, we believe in freedom for *everyone.* With Herbert Spencer and John Stuart Mill, we believe a person should be free to take any action, so long as it does not interfere with the liberty of anyone else. We call this point of view *libertarianism.* It is unabashedly individualistic, capitalistic, and (we think) reasonable. Moreover, this voluntaristic, free market approach points the way toward solutions to many of the problems created by the unbridled growth of Big Brother statism — like war, taxation, the energy crisis, and inflation.

Each month REASON explores the implications and applications of the libertarian point of view.

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- IBM: Producer or Predator?
- Unmasking the Guilt Triangle Theory of Inflation
- Combatting Bureaucracy: Let a Hundred Otepkas Bloom
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- The Pay-What-You-Want-Tax Plan
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- Let's Establish a New Gold Standard
- The FTC's Outmoded Campaign Against Advertising
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In addition to thought-provoking articles, REASON features exclusive interviews with people worth knowing — people such as writer Edith Efron (THE NEWS TWISTERS), economist Yale Brozen, Congressman Steve Symms, science fiction writer Poul Anderson, outspoken psychiatrist Thomas S. Szasz, and financial expert Harry Browne (YOU CAN PROFIT FROM A MONETARY CRISIS). Plus a host of regular columns and features, including news, personalities, reviews, and cartoons.

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